

mp3 PRO FAMILY GROWS

Online Content Providers, Hardware Manufacturers And Software Developers Line Up For The New Codec

San Diego, CA, January 8th, 2002 – Thomson multimedia (Paris Euroclear: 18453) (NYSE: TMS), the exclusive licensing representative for mp3 patents and software of Fraunhofer and Coding Technologies, today announced that the **mp3PRO** music format continues to gain widespread industry and consumer support as content providers, hardware manufacturers and software developers conclude licensing agreements for the advanced mp3 codec for their products.

According to Henri Linde, Vice President, New Business of the Patent and Licensing unit for Thomson multimedia, the company has reached a number of significant **mp3PRO** licensing agreements with leading Internet providers, software developers and designers and hardware manufacturers, underscoring the rapid expansion of the next generation mp3 format.

Launched in mid-June, **mp3PRO** is an update to mp3, the ubiquitous standard for digital audio files and clearly the most popular digital audio format available. The new **mp3PRO** codec combines more efficient compression and a higher-fidelity “CD quality” music experience to give users better sounding, smaller files that are backward compatible with the standard mp3 format.

Hardware Support:

In addition to the products offerings from Thomson multimedia, such as the RCA LYRA Personal Jukebox (an mp3PRO-ready hard-disc device that can hold 300 hours of music), the industry’s most prominent hardware manufacturers have reached licensing agreements with Thomson multimedia for **mp3PRO**, including:

Philips – Premiering a range of consumer products at the CES show, Philips devices will decode mp3PRO streams via such popular services as Radio Free Virgin, mp3.com and MUSICMATCH.

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Texas Instruments

Texas Instruments Incorporated (TI) (NYSE:TXN) became the first company to license Thomson's **mp3PRO** digital audio format, applying TI's programmable digital signal processors (DSPs) to offer manufacturers updated Internet audio devices to support the **mp3PRO** format. The programmability of the TI DSP gives manufacturers the option to provide a Web site where customers can go to upgrade their audio players for **mp3PRO**.

STMicroelectronics

A leading producer of decoder chips for the existing mp3 standard, STMicroelectronics is working closely with Coding Technologies, the inventor of **mp3PRO**, to implement the new algorithm for the company's MMDSP+ digital signal processor core. This 24-bit digital signal processor (DSP) is optimized for high quality audio processing applications and is used by ST in many products for music decoding, speech recognition, echo canceling and so on. Using this optimal DSP core, ST's **mp3PRO** decoder chips will consume less power, extending battery life in portable players.

Software Support

Software designers finalizing **mp3PRO** licenses to encode media player software include:

MUSICMATCH

MUSICMATCH, which pioneered personalized music software and services with its acclaimed jukebox, has integrated **mp3PRO** for the streaming and decoding of its MUSICMATCH Radio MX service, reaching nearly 80,000 subscribers, and will feature the **mp3PRO** encoder in its upcoming versions of MUSICMATCH Jukebox.

Gracenote

Thomson multimedia and Gracenote have joined forces to launch a one-stop digital music solution that combines mp3PRO and the Gracenote CDDB[®] Music Recognition Service. The partnership gives software and hardware developers simple, streamlined access to the newest generations of the world's most popular digital music codec and music recognition service. The agreement gives the more than 2,000 commercial CDDB media-player developers streamlined access to mp3PRO encoding and decoding.

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Ahead Software, Magix and Steinberg

Three popular Germany-based music software providers have released product incorporating **mp3PRO** codecs into the latest versions of their music management software programs.

Mayah Communications

MAYAH® Communications, a recognized developer and distributor of high quality solutions for the broadcast and telecommunications industry, has licensed the **mp3PRO** technology for its CENTAURI-Audio-Web-Server and software solutions.

Microprocessor Support

Microprocessor solutions providers **ARM** and **Tensilica** have signed with Thomson to adopt **mp3PRO** for their respective microprocessor architectures, allowing hardware manufacturers to rapidly integrate **mp3PRO** into their products.

Online Content Providers

Four of the Internet's premiere music providers – **Mp3.com**, **MUSICMATCH** and **Radio Free Virgin**– have each selected to make content available in the **mp3PRO** format, taking advantage of the economic benefits resulting from the codec's reduced bandwidth.

Singingfish, the leader in multimedia search announced today that it will provide support for finding mp3PRO content early this year, allowing users to quickly find mp3PRO files anywhere on the World Wide Web. Singingfish multimedia search services deliver fast and easy access to the world's largest index of links to streaming media content. Singingfish has indexed millions of links to streaming and downloadable media files and anticipates the volume of mp3PRO files to expand dramatically over the coming months.

“Wide support for **mp3PRO** by leading companies involved in hardware manufacturing, software development and Internet content is contributing towards the expansion of the format across all music distribution categories,” said Linde. “Together with our numerous mp3 licensing partners, Thomson is establishing **mp3PRO** as the new format standard.”

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About mp3 and mp3PRO:

The 1995 launch of mp3 sparked a new age in the distribution of music and Internet broadcasting. Today, mp3 continues to rank as the codec standard, with well over 150 companies having licensed mp3 across the Internet and dedicated player-recorder industries. Nearly every song in the world has been encoded into mp3, and nearly every PC in the world has mp3 encoding capability. Underscoring the company's commitment to the future growth of mp3 as a global standard, Thomson multimedia together with Coding Technologies of Sweden launched **mp3PRO**, improved version of the mp3 coding-decoding (codec) format that provides near CD-quality sound while doubling the compression rate. **mp3PRO** provides 128kbs performance at a 64kbs encoding rate and is both backward and forward compatible with mp3.

This press release contains forward-looking statements regarding prospects for the future that involve a number of risks and uncertainties. Among the factors that could cause actual income to differ materially from those expected are the following: business conditions and general economic conditions; competitive factors such as pricing and marketing efforts of rival companies; timing of product introductions; ability of contract manufacturers to meet product price objectives and delivery schedules; legislative, regulatory, and industry initiatives that may affect planned or actual product features and marketing methods; and the pace and success of product research and development. For more information on the potential factors that could affect the company's financial income, please review the relevant SEC filings.

About Thomson multimedia

With sales of 9.1 billion Euros (U.S. \$ 8.3 billion) in 2000 and 73,000 employees in more than 30 countries, Thomson multimedia (Paris Euroclear: 18453) (NYSE: TMS), provides a wide range of video (and enabling) technologies, systems, finished products and services to consumers and professionals in the entertainment and media industries. To advance and enable the digital media transition, Thomson multimedia has five principal activities: Digital Media Solutions, Displays and Components, Consumer Products, Patents and Licensing, and New Media Services. The company distributes its products under the THOMSON, RCA and TECHNICOLOR brand names. For more information: www.thomson-multimedia.com.

About Singingfish

Singingfish, a wholly-owned subsidiary of Thomson multimedia, develops multimedia search services that enable Internet users to quickly and easily locate and access popular streaming media content including entertainment, news and sports via any Internet accessible PC or CE device. Based in Seattle, Wash., the company has firmly positioned itself as the leader in multimedia search by compiling the world's largest index of streaming media, incorporating proprietary automation into its search solutions, and offering a robust suite of search services that are easily adaptable to each customer. More information about Singingfish is available online at www.singingfish.com.

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About Coding Technologies:

Coding Technologies is focusing on developing and implementing unique audio compression technologies for the broadcasting, Internet and telecommunication markets. The company offers its audio solutions to system designers, chip/device manufacturers and content providers. Coding Technologies, a privately held company having offices in Stockholm, Sweden, and Nuremberg, Germany, combines the exceptional skills of a Swedish company specialized in audio compression technologies and a spin-off from the renowned Fraunhofer Institute for Integrated Circuits. For more information, visit www.codingtechnologies.de.

About The Fraunhofer Gesellschaft:

The Fraunhofer Gesellschaft is the leading organization of applied research in Germany. It operates 47 research centers in Germany with about 9,000 employees, about half of them scientists and engineers. The Fraunhofer Gesellschaft expands to a worldwide Organization, especially in USA and Asia. Home of the Fraunhofer Gesellschaft is Munich, Germany. One of the goals of the Fraunhofer policy is a rapid transfer of innovations into products. The total research expenditure is about US\$ 700 million.

The Fraunhofer Institut Integrierte Schaltungen (Fraunhofer IIS-A), based in Erlangen, Germany, is one of the 47 research centers. Fraunhofer IIS-A is the leading international research lab in the field of high quality low bit rate audio coding. Fraunhofer IIS-A has been the main developer of the most advanced audio coding schemes, like MPEG Layer-3 and MPEG-2 AAC (Advanced Audio Coding). Fraunhofer IIS-A plays a major role in the ongoing work for the MPEG-4 Audio standardization process and contributes to many other standards bodies as well, like ITU-R TG10/4, ITU-R WP10C and AES.

Certain statements in this press release, including any discussion of management expectations for future periods, constitute "forward-looking statements" within the meaning of the "safe harbor" of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on management's current expectations and beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements due to changes in global economic, business, competitive market and regulatory factors. More detail information on the potential factors that could affect the financial results of THOMSON multimedia is contained in the THOMSON multimedia's filings with the U.S. Securities and Exchange Commission.

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