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For Immediate Release December 8, 1999

NUON™ DELIVERS INTERACTIVITY TO SAMSUNG

NUON™ Enhanced DVD Players Slated for Launch This Spring

Mountain View, CA -- VM Labs and Samsung Electronics America announced today that Samsung would incorporate NUON™ media processing technology in a new DVD player. Samsung's DVD-N2000 uses this new technology to enable advanced interactive features and dramatically enhance audio and video performance. The first NUON enhanced Samsung DVD players are anticipated to reach store shelves in the first quarter of 2000.

NUON technology turns a DVD player into a complete video entertainment system. Standard DVD movies will not only run on NUON enhanced DVD players, but will benefit by vastly improved movieviewing features. NUON enhanced players will also be able to play a wide variety of entertainment and educational software as well as bring audio CDs to life with stunning visual effects modes. VM Labs is licensing third party publishers to develop NUON interactive software that will serve the family market. At least six initial NUON titles are scheduled for release to coincide with hardware availability. Peripheral ports will allow users to plug in joysticks, keyboards and other devices, providing additional ways to interact with the DVD player.

Samsung's DVD-N2000 will be the first of their DVDs to be produced using NUON and will be available in the first quarter of 2000 with a MSRP of \$499. The DVD-N2000 offers exceptionally smooth Shuttle, as well as a new pan-zoom function that allows the user to select and magnify any portion of the picture up to twenty times. The NUON processing allows this dramatic magnification with little distortion thanks to advanced filtering algorithms. And this astounding flexibility is available anytime, even while the movie is playing.

NUON further allows the DVD-N2000 to play CD discs at half-normal speed or twice normal speed with minimal distortion. CD Playback is even more interesting with the elaborate graphics options, including a colorful spectrum analyzer display and other dynamic images that respond to the musical content.

Most exciting, however, is that the DVD-N2000 will also function as the family gaming console. Games are in development and soon consumers will be able to switch from watching, to listening, to playing, at the change of a disc.

"Samsung has been a leader in DVD Technology since the inception of the category," said Mark Knox, Senior Manager of Samsung Electronics America's Digital Group. "Now, the combination of Samsung's leading DVD technology and NUON's advanced media processing will bring a new set of features and vastly improved performance to Samsung's extensive DVD line-up"

"Today's DVD players have great graphics...but with NUON, you get a total entertainment system packed with fun interactive activities and capabilities," said Richard Miller, CEO of VM Labs. "With brands like Samsung on the hardware side and family-oriented content alliances, we have a spectacular, mediarich experience for consumers to enjoy."

NUON has the speed and power to transform a DVD player into an interactive fun-center that will entertain the whole family. NUON enhanced digital video devices bring the television to life with interactivity in the form of games, educational software, interactive movie content and more. Future

NUON enhanced features include Internet connectivity and web-enabled movie experiences. The NUON media processing technology replaces the MPEG decoder chip currently found in digital video products. Analysts predict that digital video will supersede the current analog method over the next few years, and NUON is poised to become the new standard for interactive digital home entertainment. VM Labs Inc. is based in Mountain View, CA. For more information and to download artwork, visit http://www.nuon-tech.com

Headquartered in Ridgefield Park, NJ, Samsung Electronics America, Inc. (SEA), a wholly owned subsidiary of SEC, markets a broad range of consumer electronics and information systems products. The SEA organization oversees the North American operations of Samsung Telecommunications America, Samsung Electronics Canada and Samsung Electronics Mexico.

Samsung Electronics Company Ltd. (SEC) is Korea's largest integrated electronics manufacturer with US\$16.6 billion in sales. SEC employs more than 60,000 people worldwide and has established a global network of 21 production plants, 29 sales subsidiaries and 24 branch offices in 40 countries since embarking on global operations in 1969. The company consists of three main business units: Multimedia & Home Appliances, Semiconductors and Information & Telecommunications. For more information, please visit our website at http://www.samsungelectronics.com.

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