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**LGE CORPORATION TO INCORPORATE NUON™ TECHNOLOGY
INTO INTERACTIVE DVD PLAYERS FOR LAUNCH IN 2001**

NUON Technology Offers Enticing Feature Set

Consumer Electronics Show, 6 January, Las Vegas, NV -- VM Labs today announced that its NUON™ technology will be incorporated in select DVD Players to be manufactured by LGE Corporation for launch in 2001. LGE Co., Ltd, is a manufacturer of consumer electronics products. NUON-enhanced DVD players provide the best movie playback feature set in the industry, while also allowing consumers to enjoy high performance interactive DVD based games, educational and reference applications and stunning visuals that accompany audio discs playback.

"NUON provides an ideal delivery mechanism for total interactive entertainment given the recent explosion of households upgrading to DVD" said Richard Miller, founder and CEO of VM Labs. "Visionary companies such as LGE see the extraordinary potential for consumers wishing to enjoy the best DVD feature set in the industry."

NUON technology replaces the MPEG decoder chip found in digital video products. DVD players that utilize NUON technology offer consumers a wide variety of new movie viewing features, such as the ability to use the menu while the movie plays, powerful zoom and pan, ultra-smooth forward and reverse shuttles, specialized film formatting and simultaneous multi-angle playback. NUON DVD players also have the ability to play games and display visual light shows while listening to music CDs. A variety of NUON software and peripherals is available, including games, interactive controller devices, and, in the future, an Internet Connectivity kit to add functions such as Web browsing and e-mail.

"There seem to be limitless possibilities with NUON technology as a compelling value added feature set for the next generation of DVD players," said J. H. Choi, Senior General Manager, Engineering Design Department/Digital Display & Media Company at LGE. "In addition to driving the existing DVD market with its expansive functionality, NUON creates an extra enticement for consumers considering the migration to the benefits of digital video products. We are currently deciding which DVD models will incorporate the NUON technology and will announce specific products that will be launched in 2001 shortly."



About NUON:

NUON™ is the technology behind the next generation of home video entertainment products. The powerful NUON media processor supports leading entertainment formats such as Dolby, MP3 and MPEG, improving the consumer experience with 128 bit processing. The NUON architecture provides the flexibility to support real-time upgrades for emerging content formats, as well as the digital rights management necessary for content providers. NUON transforms broadband set-tops and DVD players into total interactive entertainment systems with powerful movie playback features, NUON videogames and NUON enhanced movies. NUON can be found today in leading entertainment products including broadband set-top boxes from Motorola and DVD players from Samsung and Toshiba. NUON™ is a trademark of VM Labs, Inc. For more information about VM Labs or NUON, or to download artwork, please visit the website at <http://www.nuon.tv>

About VM Labs:

VM Labs is the developer and licensor of the NUON™ broadband entertainment platform, with applications including emerging broadband set-tops as well as cutting edge DVD players. The Company licenses its embedded semiconductor and software technologies to leading consumer electronics manufacturers, while licensing NUON authoring systems to movie and music studios, and interactive software publishers. VM Labs is a privately held company with offices in Mountain View, California, and Tokyo, Japan.

ABOUT LGE:

LG electronics is a major global player in electronics & telecommunications, operating 72 subsidiaries around the world with over 55,000 employees worldwide. LGE focuses on Digital TV, CD-RW, DVD, CD-ROM, DVD-ROM Drives, PCs, Monitors, Mobile Handsets, CRTs and PDPs. LGE is strengthening core competencies even more to further its reputation as the "Digital Leader" in electronics products and equipment in the digital era. Merging with LG Information and Communications in September 2000, LG Electronics recorded total sales of US\$4.9 billion in the electronics business in 1999 and US\$2.4 billion in the information and communications business. LGE is headquartered in Seoul, Korea, and was founded in 1958. Further information about LGE is available at: <http://www.lge.com>

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