

**Video is going digital  
and C-Cube is making it happen**

In the home entertainment center  
In broadcast and distribution facilities  
In production and postproduction studios

*From digital set-top boxes, DVD and VideoCD players, and video-equipped PCs in the home... to direct-broadcast satellite, terrestrial, and two-way cable television systems and distribution applications...to all-digital, nonlinear editing and DVD authoring systems for professionals and prosumers...*

***Wherever digital video is created, transmitted, and archived,***

***and wherever video technology enhances people's entertainment and business experiences,***

***C-Cube technology is there.***

***C-Cube is there...***

when a box sitting on top of your TV set allows you to interact with programs in ways never possible before — plus check your e-mail and browse the Web.

***C-Cube is there...***

when newlyweds create a polished video memento of their wedding using just a camcorder, a video board, and a video editing application running on their home PC.

*Web Page 1 cont.*

***C-Cube is there...***

when a broadcaster is able to store and transmit the highest quality video while delivering cutting-edge applications such as an interactive program guide.

***C-Cube is there...***

when a video editor at a TV station downloads compressed news footage from a camcorder, combines it with archived shots, adds special effects and graphics, and then outputs it for broadcast. All in less than an hour, without losing image quality.

***C-Cube is there...***

when your high school student creates a multimedia term paper for a civics class by combining visuals gleaned from websites, library holdings, and cable broadcasts of city council meetings.

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[Capsule Descriptions of 3 Served Markets]

### **Home Entertainment**

C-Cube brings innovative new capabilities to consumers with our highly integrated digital video silicon platforms. They make it possible for set-top box, PC/TV device, and video player designers to pack more performance and functionality into their products at lower cost — giving home viewers a true interactive multimedia experience.

### **Broadcast and Distribution**

C-Cube solutions are setting the standard for content-rich entertainment networks by delivering superior compression technology for digital broadcast satellite, digital wireless cable, switched digital video, and video-on-demand services. Our revolutionary multimedia architecture maximizes bandwidth, while optimizing picture quality.

### **Production and Postproduction**

C-Cube's advanced video encoding techniques integrated into online, nonlinear editing systems give editors precise, realtime control of each frame. Even nonprofessionals can create polished video programs without expensive equipment. C-Cube technology also provides high-end multimedia authoring and video storage capabilities.

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[Optional: 1-Paragraph Positioning Statement]

### **A C-Cube Soundbyte**

C-Cube Microsystems is the leading global provider of digital video silicon and digital broadcast systems. Our technology is used worldwide to enable digital video communications and consumer applications.

C-Cube is unique in addressing both the professional and consumer, giving us insight into a broad spectrum of industry issues and user needs.

## **Home Entertainment Center**

As digital video makes itself at home in your home, there's a good chance you'll soon be seeing some rather amazing "morphing" going on in your family entertainment center.

Your TV pictures will get dramatically clearer and more life-like as your old analog VCR makes way for a new digital DVD player.

Your TV cable box will transform into a next-generation set-top device that lets you interact with what's on the screen, and access the Web.

And your home computer will start taking on many of the capabilities of a professional video editor's content creation station — without adding all the complexity and expense.

Welcome to the home entertainment center of the near future, brought to you by C-Cube digital video technology. With the help of equipment manufacturers, service providers, and applications developers, C-Cube's silicon solutions are taking home electronics into new realms of innovation. And giving consumers a wealth of new ways to enrich, enliven, and enhance their lives.

C-Cube's AViA@TV family brings unprecedented power and flexibility to the latest generation of set-top boxes by enabling a broad array of new

features: two-way interactive capabilities such as electronic program guides, Web access with PC-quality graphics, support for e-mail and other Internet applications, theatre-quality Dolby Digital sound, and much more.

*Web Page 2 cont.*

Our DVxplore family is the first to deliver DVD recording, playback, editing, and storage to the home PC user. These chips allow nonprofessionals to create sophisticated video programs, and let PC/TV designers add “digital VCR” enhancements so viewers can manipulate live broadcasts and take advantage of smart programming guides.

Our ZiVA family uses leading-edge MPEG-2 decoding algorithms, Dolby Digital audio decoding, and other advanced features to produce the sharp images and crisp sound found in today’s leading DVD players, as well as DVD-enabled PCs and set-top boxes.

C-Cube’s CL680 and CL880 chips are the world’s most widely used CD decoders. They minimize the cost of VideoCD players while offering advanced audio characteristics. (VideoCD is the dominant digital video technology in China.)

You’ll find C-Cube digital video technology right at home wherever consumer electronics are making people’s leisure time richer and more fun.

## **What's Next for Home Video?**

Here's a sampling of what the near future has in store for your home entertainment center:

**DVD for your TV and computer.** Digital video disc (DVD) technology delivers twice the picture and sound quality of analog video. DVD playback devices for TVs and PCs are available now. And DVD recording is just around the corner.

**Watch TV and access the Internet — simultaneously.** Right now people can get Internet access over their CATV cable. But two-way Internet communications are limited. And viewers can't look at a broadcast TV program and access Internet/Web services at the same time. But that's about to change with a new generation of digital set-top boxes that will allow people to take advantage of Internet applications like e-mail and home banking at fast over-cable transmission rates. Plus, these new boxes will allow viewers to access Web sites while they're watching a TV show, so they can get more information about that show or view a listing of other shows.

**Interact with your TV.** Next-generation set-top box capabilities will also make interactive TV a reality in the home. Educational offerings and children's programming will become more personal and involving. And electronic program guides will let viewers scan customized broadcast

schedules for programs of interest and schedule recording sessions by simply selecting titles off a menu.

*Web Page 3 cont.*

**Video editing on your home PC.** Software is already available that allows you to do simple video editing and special effects rendering on your PC. But current technology will soon allow you to combine video streams from a digital camcorder and other sources to create video programs using techniques that in the past have been the exclusive province of professional workstations costing many thousands of dollars.

***Open house.** Take a home-of-the-future tour and get a glimpse of C-Cube's home entertainment solutions in their natural habitat.*

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[Optional Sidebar]

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## **Window Into the Future: The Convergence Box**

Integrating video, audio, and computer technology in a single device is called convergence. And it may be the next Really Big Thing in the home entertainment arena.

An example? Imagine getting a cable connection and the functions of a DVD player, plus capabilities like interactive programming, video editing, e-mail, Web browsing, and videophone calling. All in one box.

The convergence box isn't here yet. But it may be available sooner than you think. And C-Cube digital video technology will help make it possible.

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[Optional Sidebar 2]

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## **Video In the Home**

*What's happening now...*

- DVD players replacing VCRs
- One-way Internet access via cable
- Video on home PCs using DVD discs
- Static TV program guides

*What's about to happen...*

- DVD recording capability
- Simultaneous two-way Internet access and TV viewing
- Sophisticated video editing on home PCs
- Interactive program guides and other active TV applications

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