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DIGITAL CINEMA MANUFACTURERS DEMONSTRATE SERVER INTEROPERABILITY, ANNOUNCE INTEROPERABILITY INITIATIVE

October 29, 2001 - Avica Technology Corporation, EVS, and the Grass Valley Group today announced that they have achieved compatibility for the playback of MPEG2 encoded content on their respective systems. In related news, the companies also announced the formation of the MPEG Interoperability Initiative, which is chartered to facilitate interoperability between multiple manufacturers.

The results of the Interoperability engineering effort were verified at the Hollywood Digital Cinema Lab in a technology demonstration that marks substantial progress made toward deployment of interoperable Digital Cinema playback systems. Each manufacturer provided encoded content to the others and tests were conducted to verify that regardless of the source, content could be loaded, recognized and played back on all three systems.

"By joining forces in this Interoperability Initiative, Avica, EVS and the Grass Valley Group have demonstrated a willingness, as competitors to work on facilitating the success of Digital Cinema," says Don Bird, Vice President of Sales and Marketing for Avica Technology.

"The international makeup of the Interoperability Initiative guarantees a commitment not only to compatibility in the U.S. market, but worldwide," says Bernard Collard, Marketing and Sales Manager EVS Digital Cinema.

"We felt that interoperability, providing options for customers, was one of the keys to a successful Digital Cinema rollout for manufacturers and customers alike," says Beth Bonness, Director of Digital Cinema for the Grass Valley Group.

While features and methodologies vary among the Interop members, common ground was established and demonstrated for the studio and industry representatives who attended.

"Today's demonstration of multiple manufacturer compatibility was a significant step in the development of Digital Cinema," says Rick McCallum, Producer of Star Wars Episode I and Episode II, Lucasfilm.

"If we are going to get Digital Cinema out, this is the type of initiative that has to happen," says Shannon McIntosh, Senior Vice President Broadcast and Video Production and Post Production, Miramax Films.

"The future adoption of Digital Cinema requires that the same movie can be played on many systems, just like 35mm film," says Jerry Pierce, Senior Vice President, Technologies for Universal Pictures. "The demonstration today and formation of the Interoperability Initiative is an important move toward achieving this goal."

"Even more encouraging is the recognition that the hardware platforms of the three companies will accommodate the ongoing development of international Digital Cinema standards," says Dave Schnuelle, Director of Technology for THX.

About Avica Technology

Avica Technology Corporation is a leading developer of advanced post-production and Digital Cinema technologies. Avica's customer-focused approach has led to development of a broad range of products for acquisition, storage, transmission and playout of high definition images. The Avica Platform for Digital Cinema employs a unique data-cen-

tric approach to hardware and software design. Avica's Platform technology promotes a long-range growth path with a scalable architecture designed to support the entertainment industry's transition to digital production, distribution and exhibition. For additional information on Avica Technology and its products visit www.avicatech.com.

About the EVS Group

EVS Broadcast Equipment has been committed to the International Television community and developed Digital Video disk recording technology since the company's inception in 1994. Based on this long experience in Digital Video, EVS has developed a line of Digital Cinema Servers, the CineStore. For more information about EVS Digital Cinema activities, visit www.evs-cinema.com.

About the Grass Valley Group

The Grass Valley Group knows more about high-quality video than anybody else-especially as video goes digital. The Internet. Digital Cinema. Data-enhanced broadcasting. Interactive television. It's a world of Digicasting-one that demands Media Without Bounds™ solutions. Whether online or on the air, the Emmy® award-winning Grass Valley Group, a privately held digital media leader, has the hardware, software, and new media technologies to get content wherever it needs to go.

For the latest Grass Valley Group product information visit www.grassvalleygroup.com.

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