

Major News Leaders Select Grass Valley HD Editing And Production Applications And Platforms

Thomson Announces More Than 8 Million Euros in Recent Major Orders; Details New Aurora HD/SD Production & Distribution Solution

Paris/Amsterdam (IBC — Stands 11.550 / 11.551 / 7.531 / M214 / OE201) September 7, 2006 — With proven performance in helping the world's media leaders bring this year's most popular sporting and entertainment events to millions of viewers in flawless high definition (HD), **Thomson** (Euronext Paris: 18453; NYSE: TMS) today detailed how major news operations globally are now turning to its **Grass Valley** business for support in HD news acquisition, production and distribution, announcing more than 8 million euros in recent major orders for its digital news production software and platforms.

"With approximately 25% year-on-year growth coming from HD versions of our products and proven performances in support of the world's most visible sports and entertainment events, including the Olympics in Torino and the World Cup games, we have become a defacto standard in HD mobile and fixed-facility operations," said Marc Valentin, president of the Grass Valley business within Thomson.

"Another cornerstone in this digital foundation is our leadership in digital news production. In both cases, Grass Valley products are delivering on broadcasters' and video professionals' requirements for superior images, rock-solid reliability, and a highly scalable as well as affordable path to high definition when these customers are ready to make that evolution," said Valentin.

Among the new orders are installations in the USA, Europe, and the Middle East, such as in the USA for CBS Network owned & operated stations KCBS (Los Angeles) and KYW (Philadelphia), CBS affiliate station KLAS (Las Vegas), ABC affiliate KMGH (Denver); in the Middle East for Aljazeera International (Doha, Qatar and London); and, in Europe for VTM (Vlaamse Televisie Maatschappij, Brussels). This includes a significant commitment to the Grass Valley Aurora HD suite, which features the industry's fastest quick-turn editor and which will be highlighted at Grass Valley's main IBC pavilion, stand 11.551.

Worldwide, HD is seen as a continuing growth opportunity as producers and broadcasters seize the opportunities that the dramatically improved quality of HD bring in building audiences.

Underscoring the pace of growth in the news segment overall, U.S.-based research firm Frost & Sullivan's latest research reports that as this transition continues, the playout video server market will account for a third of the close-to-billion dollar projected market by 2012, growing at double-digit rates, while newsroom servers are expected to show a much more robust year-on-year growth of more than 20 percent and account for more than 60% of total revenues by 2012. Newsroom servers are expected to overtake playout servers in the 2007-2008 timeframe.

Further extending the lead of Grass Valley approaches, and providing a simple migration path to HD when customers are ready to make that shift, nearly a third of the worldwide market for SD digital news production already has standardised on Grass Valley software and platforms. Currently, more than 193 sites worldwide use Grass Valley technology, from major networks with huge systems for 24/7 news operations and hundreds of users to standalone editors in small- and mid-sized local and regional news operations.

New Aurora Suite of HD Video Production & Distribution Tools Featured at IBC (Hall 11, Stand 551)

Announced earlier this year, the next-generation, Grass Valley Aurora Suite of HD video production and distribution tools are now available, and will be highlighted in the industry's most complete HD acquisition/production/distribution workflow at IBC (11.551). The demonstration will underline Grass Valley's ability to deliver a complete solution, from acquisition using the innovative Infinity digital media camcorder through management using Aurora, with craft editing using the Edius Pro platform alongside the Aurora desktop editors designed specifically for the high pressure news environment.

Featuring a highly integrated set of full-featured ingest, browse, editing, asset management and playout applications, Aurora Suite is ideally suited to station news departments and professional video production organizations that require ready access to metadata and the sharing of material, as well as extremely fast project turnaround times.

The new Aurora Suite leverages Grass Valley's proven experience in nonlinear news editing, including the Grass Valley NewsEdit system--the fastest news editor in the industry—which has been installed in hundreds of facilities around the world. The Aurora Suite provides secure access to metadata integrated across an entire suite of applications for a highly collaborative work environment with advanced asset management functionality. This unique functionality streamlines the production process by giving users more power within the same fast and efficient editing interface.

Core applications of the Grass Valley Aurora Suite include: Aurora Ingest, Aurora Edit, Aurora Browse, and Aurora Playout. All of these applications are tied together via Grass Valley's MediaFrame™ metadata architecture, which links all of the functionality and metadata of each application under a task-specific GUI, providing users of each application the ability to access other tools in the suite from the same desktop.

Aurora Ingest

The Grass Valley Aurora Ingest application allows bulk and batch recording from a VTR. The Aurora Ingest application also includes a networked scheduler component that provides control over all server ports and all router cross points, as a simple way of setting up the ingest of pre-arranged feeds from remote sources. This functionality can also control satellite dishes via its full support of the CompuSat satellite management system, and can be used to schedule events through the Associated Press ENPS newsroom computer system.

Finally, Aurora Ingest provides a removable media interface that lets users of tapeless formats -- whether Grass Valley REV PRO™ or SanDisk CompactFlash®, or P2 solid-state media and XDCAM optical discs -- to select, prioritise and automatically ingest from an internal or external drive. This makes the material immediately available to anyone in the newsroom or within a collaborative work environment.

Aurora Browse

Grass Valley Aurora Browse version 6.0 acts as the asset management front end for the MediaFrame platform. This application is compatible with several third-party systems used to manage a digital archive. It also includes the ability to accommodate user rights and other elements for the protection of copyrighted material. A future extension of Aurora Browse, available by the end of the year, will provide the ability to browse and retrieve material located at a remote site.

Aurora Browse can be integrated within a newsroom computer system as an ActiveX element, allowing you to archive and search newsroom computer scripts.

Aurora Edit

The Aurora Edit application is available in a number of configurations, depending upon the work at hand. It ranges from Aurora Edit Low Definition Browse (LDB), offering cuts-only editing and full browse capability; to Aurora Low Definition (LD), providing low-resolution proxy editing with audio mixing features, simple effects creation and record and track directly to the timeline. Aurora LD serves as a "finish editor", in that stories and/or programmes edited within Aurora Edit LD can include transitions and effects that can be sent directly to air. Because Aurora Edit works with proxies on the desktop, the same user interface delivers the same comprehensive functionality whether the final delivered content is in standard definition or HD.

Pricing and Availability

Version 6.0 of the Grass Valley Aurora Suite of collaborative workgroup tools is available shortly. Version 6.3 will be available by the end of the year. Pricing starts at \$17,000 (US) for a standalone Aurora Edit SD workstation and varies based on capabilities and features required. Several seamless and easy upgrade paths are available for existing Grass Valley DNP systems customers.

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 and business conditions, consumer electronics markets, and regulatory factors. More detailed information on the potential factors that could affect the financial results of Thomson is contained in Thomson's filings with the U.S. Securities and Exchange Commission.

About Thomson — World leader in digital video technologies

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Thomson's **Systems** division develops video and film technologies, products and services sold to all major Hollywood studios, all major television, satellite, and cable broadcasters under the **Grass Valley** brand-name for the delivery of analog and digital entertainment. The division also includes Thomson's Broadband Access Products Business, which develops technologies and products for broadband and telecommunication networks to deliver digital entertainment and data to consumers and businesses.

For information about Grass Valley products from Thomson please visit www.thomsongrassvalley.com.