



Press release

**Thomson Ranks Number One
In Worldwide DSL Modem and Equipment Market**

Leadership Position In Customer Premises Equipment Reinforces Thomson DSL Strategy

Paris, August 27, 2003 -- **Thomson**, (Euronext Paris: 18453) (NYSE: TMS), a worldwide leader in video technologies, products and services, was rated the number one provider in the DSL customer premise equipment (CPE) market during the second quarter of 2003, according to new research just released by Gartner, Inc., a leading global research firm. Thomson captured 9.9 percent of the market with 807,000 units shipped worldwide.*

"In a tough economic environment, it is quite an achievement to reach this leadership position," said Baudouin de la Tour, Vice President, DSL Business, Thomson. "This validates our broadband strategy and reaffirms that Thomson is a key player in delivering high-speed business and entertainment DSL products."

In a recent reorganization, Thomson combined all its Telco products and services into a central Telecom business unit. With a common strategic direction the group is more focused on serving the needs of its Telco customers around the world "With our new telecom business team now in place, we anticipate a strong second half as telecommunications companies continue to push DSL as a competitive alternative to cable." said Bruno Fabre, Vice President, Telecom Business Unit, Thomson.

The Thomson range of xDSL products includes USB, Ethernet and wireless modems, routers and gateways. The most recent announcements include the SpeedTouch™ 585, an all in one wireless residential gateway; the SpeedTouch™ 545, a wireless upgradeable residential Ethernet router, and the SpeedTouch™ 670, a business office wireless gateway.

In addition to providing telecom operators with high-speed modems and telephone handsets, Thomson is also a key provider of Telco Video solutions. Thomson's Content and Networks Division, which includes the Telecom business, is a leader in television broadcasting equipment, and is leveraging its expertise to help Telcos deliver video entertainment over their DSL networks. Thomson's innovative DSL 1500 set-top box, in use by Telco's around the globe, allows operators to deliver television entertainment to customers over a DSL connection. Thomson xDSL products are available through telecom partners worldwide.

* Gartner Dataquest Alert "Strong Growth in DSL Equipment Market Continues in 2Q03."

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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, business, competitive market 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

Thomson (Euronext Paris: 18453; NYSE: TMS) provides a wide range of video (and enabling) technologies, systems, finished products and services to consumers and professionals in the entertainment and media industries. To advance and enable the digital media transition, Thomson has four principal divisions: Content and Networks, Consumer Products, Components, and Licensing. The company distributes its products under the Technicolor, Grass Valley, THOMSON and RCA brand names. For more information: www.thomson.net

Thomson's Broadband Access Products activity, part of Thomson's Content and Network division, develops a complete range of broadband access solutions for satellite, cable, telephone networks and the Internet. The Telecom group manages the speedtouch brand Digital Subscriber Line (DSL) product portfolio as well as handsets for voice connections and set-top boxes for IP video applications.

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