



Press release

Thomson Demonstrates IP Video Set-Top Box Targeted for Mass Market Distribution at Supercomm 2004

RCA IP900 is Now Available for Deployment

Chicago, June 22, 2004 – Thomson, (Euronext Paris: 18453; NYSE: TMS), the world leader in integrated solutions (technologies, equipment and services) for the entertainment and media industries today announced the availability of the RCA IP900, a cost effective, ultra-compact set-top box that allows Telecom operators to deliver home entertainment and broadband services to the living room over existing IP networks. The decoder is being demonstrated at multiple locations during Supercomm 2004 including the DSL Home Road Show in the DSL Forum booth 20229 as well as the Allied Telesyn, Calix, Myrio and VideoTele.com booths.

The robust decoder is designed to allow flexibility and customization to support a wide array of services. It enables consumers to enjoy digital audio and video programming, surf the web and check email through one device using broadband IP networks such as DSL. The RCA IP900 fully supports interactive applications including broadcast video, video on demand, gaming, and messaging.

With this solution, Thomson is reaffirming its commitment to deliver cost-effective IP video solutions that generate new revenue opportunities for telecom companies. "The IP900 is the right product for Telecom operators who want to add video to their business models. This decoder is designed for mass deployment and is now available for those companies ready to deploy today," said Bruno Fabre, Vice President, Telecom, Thomson. "Thomson is dedicated to working with Telecom operators to create new value-added services that expand their revenue stream. We have developed a decoder that meets the specific needs of our customers at a price point that helps them achieve faster mass market penetration."

The new decoder is fully compliant with middleware platforms from leading providers Alcatel, Minerva Networks, Myrio and Videotele.com, a division of Tut Systems (NASDAQ: TUTS) who today expressed their support for the product.

"As the industry leader in Broadband and IPTV applications and services, one of the key success factors for Alcatel has been our ability to deliver highly flexible and customizable solutions that run in a scalable commercial environment," said Derek Kuhn, Director of Marketing for Alcatel's Information, Communication and Entertainment Activities. "With our Open Media Suite we deliver not only a software platform for IPTV, but together with partners like Thomson, we supply an end-to-end solution that is fully integrated with our customers' network."



"Minerva is very excited about the launch of the IP900 and proud to have our software running on an RCA set-top box," said Reed Majors Vice President of Marketing. "The IP900's increased performance combined with Thomson's extensive experience in IP Television and trusted brand will give our Telco customers the set-top box they need to compete. The first Thomson IP set-top box enabled more than 10 Minerva customers to begin deploying video services. That proven reliability, along with the sleek high-performance design of the new IP900, makes it a perfect platform for running iTVManager."

"As the first company in the U.S. to turnkey an entire IP-based video delivery system that includes TV, VOD, and Web access, we understand how important quality and reliability are to our customers," said Kelly Smith, Vice President, Business Development at Myrio. "The IP900 provides stable, high quality video services, while also providing inherent support for the broader range of emerging applications and interactive services that are enabled by the Myrio IP Video Platform."

"Thomson's global presence and consumer electronics expertise speak to the accelerating interest we're seeing in Telco TV deployments," stated Mark A. Carpenter, Vice President of Partner Development for Tut Systems. "The IP900 set-top box leverages the Thomson legacy to offer the right price-performance mix to Telcos deploying digital TV over their broadband networks. As the Telco TV market leader, with more than 70 commercial deployments, we're pleased to be able to offer our customers a product backed by the reputation and stability of Thomson."

"For Allied Telesyn, the RCA IP900 has made it possible for us to achieve mass deployment of IP possible with several Telcos," said Phil Joppa, Chief Technology Officer, Allied Telesyn. "The cost effectiveness of the box, combined with its enhanced diagnostic capabilities has provided us with a seamless transition between two generations of Thomson products, resulting in several successful deployments."

In addition, Thomson has been working closely with Seachange International for Video-on-Demand capability. "Telcos are poised for tremendous new opportunities with today's IP video product choices like Thomson's and SeaChange's, which embody the benefits of widespread deployment experience," said Yvette Kanouff, corporate vice president of strategic planning, SeaChange International. "SeaChange's fault-resilient, automated VOD System today supports video-on-demand services that scale from just a few thousand subscribers to millions of homes in North America and around the world. By integrating the VOD System with the RCA IP900 set-top, our companies empower Telcos with a cost-efficient and proven reliable platform for scalable on-demand services."

"The support by these leading firms validates our claims that the IP900 delivers on its promise – to provide a cost effective, home entertainment solution," Fabre concluded.

To support high quality video services, the receiver has extensive connectivity interfaces including S-Video, Composite, and an optical output SPDIF for Dolby Digital 5.1 Surround Sound. The fast Ethernet port will enable integration into an array of IP networks.

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Some of the statements contained in this press release, including statements by the management in relation to future expectations, represent "forward-looking statements" in the sense of the "Safe Harbor Statement" by the U.S. Private Securities Litigation Reform Act of 1995. These types of forward-looking statements are based on current expectations and assumptions on the part of the management and are subject to a range of factors and uncertainties which may lead to a considerable deviation of the results actually achieved from the expectations outlined either explicitly or implicitly in the forward-looking statements. This may be due to changes in global economic conditions, industry developments, a shift in the competitive situation or the passing of new legislation. More detailed information on the factors which may influence



Thomson's financial results can be found in the documentation submitted to the U.S. Securities and Exchange Commission.

About Thomson

Thomson (Euronext Paris: 18453; NYSE: TMS) is the leading provider of technology and service solutions for integrated media and entertainment companies. By capitalizing on and expanding its leadership positions at the intersection of entertainment, media and technology, Thomson provides end-to-end solutions to content creators, video network operators, manufacturers and retailers through its Technicolor, Grass Valley, THOMSON and RCA brands. For more information: www.thomson.net

Thomson's Broadband Access Products activity, part of Thomson's Video Network Solutions division, is a leading supplier of digital entertainment receivers to the world's major satellite, cable and terrestrial broadcasters. It is also one of the leading suppliers of high-speed modems, IP set-top boxes, and telephones to telecom companies around the globe. Products are marketed under several brands including RCA, Thomson, and SpeedTouch.

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