

Press Release

**Thomson DSL Modem Business Achieving
Rapid Growth in China**

With Over 1 Million Modems Shipped To China In 2003, **Thomson** Launches New Model For The Chinese Market

Paris, December 22, 2003- **Thomson** (Euronext Paris: 18453; NYSE: TMS), a leading provider of end-to-end solutions (technologies, equipment, and services) to the broadcast, telecommunications and entertainment industries, today announced they have shipped over 1 million high-speed DSL modems into the large and rapidly growing Chinese market in 2003.

Industry analysts forecast that the Chinese market for DSL modems will be among the worlds fastest growing. According to forecasts, the number of broadband DSL households in China will grow over one hundred seventy percent, to over 23 million, from 2003 to 2005. With a population of nearly 1.3 Billion, and a growing economy that will fuel consumer spending, the modem market appears to be a very strong opportunity going forwards.

“With such a large population and growing economic strength, China represents an important market opportunity for Thomson’s DSL modems,” said Bruno Fabre, Thomson’s Vice-President, Telecom. “With our exceptional technology and recognized brand name, we have high expectations for developing our presence in this key market in 2004 – well beyond the first million units we have already shipped in 2003 alone.”

Thomson’s DSL modem business is the latest from the company to announce a successful foray into the Chinese marketplace. Thomson intends to take advantage of its increasing presence in China to expand opportunities from the fast-growing Chinese market for its Components, Licensing and Content & Network Divisions.

To further enhance growth prospects in China for it’s high-speed modems business, Thomson recently launched a new ADSL modem, the SpeedTouch® 511e. Thomson sees a strong opportunity for continued growth with this new product, which was specifically designed for the Chinese market and is currently shipping.

The SpeedTouch 511e incorporates the latest technologies for high-speed routers and gateways, including setup wizards – embedded on the device or running from cd - allowing for seamless service activation, and a multi language interface offering both a Chinese and an English management interface.

###



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) provides end-to-end solutions (technologies, equipment and services) to the entertainment, broadcasting, telecommunications and retail 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, 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 telephone companies around the globe. Products are marketed under the RCA, Thomson, SpeedTouch, and other brands.

Press relations

Severine Wemaere	+33 1 41 86 5003	Severine.wemaere@thomson.net
John Maler (United States)	+1 (317) 587 3205	john.maler@thomson.net
Claudia Schiepers (Belgium)	+32 2 788 44 53	claudia.schiepers@thomson.net
Financial Dynamics (Nina Mitz, Lorie Litchlen)	+33 1 47 03 6810	Nina.mitz@fd.com

Investor relations

Pierre Villadary	+33 1.41.86.6888	pierre.villadary@thomson.net
------------------	------------------	--