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NETSTREAMS DEMONSTRATES WORLD'S FIRST IP-BASED HOME THEATER

NetStreams' Innovation Enables the Creation of World's First IP-Based Multi-Room Home Theater, Marking a New Category of Products.

DENVER, CO – September 6, 2007 – *NetStreams™*, the global leader in networked audio/video distribution based on Internet Protocol (IP), conducted the world's first public demonstration of an IP-Based Home Theater here today at the CEDIA Expo. The demonstration, located in a special sound room at the show (SR-7), marks another industry first for *NetStreams* by demonstrating unprecedented improvements in sound quality, thanks to *NetStreams'* IP technology.

"*NetStreams* has redefined the ultimate home theater experience with our IP-Based Home Theater solution," stated Herman Cárdenas, the company's Founder and Chairman. "An IP-Based Home Theater is one in which all of the elements of the home theater -- the sources, display, speakers, and controllers -- communicate with each other over a TCP/IP network. High definition, multi-channel audio and video content is streamed to the speakers and to the displays over the IP network using our exclusive *StreamNet* technology."

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The
Ultimate
IP A/V
Experience.

“One of the benefits in making the home theater IP-Based is that sources that were typically isolated in the home theater are now available throughout the home,” commented Michael Braithwaite, the company’s Chief Technology Officer.

“By making the home theater IP-Based, we can easily integrate it with the rest of the home and stream sources to and from the home theater, regardless of where those sources are located on the network. Additionally, since the home theater now resides on a network, the home theater can be controlled from any web browser based user interface, providing for easy homeowner control of the entire system.”

***CinemaLinX* and IP Speakers – the Ultimate Home Theater Experience**

NetStreams is demonstrating a new product called *CinemaLinX*[™], a networked home theater processor with four digital audio inputs (RCA and S/PDIF), a network connection, and an embedded 8-port switch for connecting IP Speakers. *CinemaLinX* delivers 7.1 multi-channel audio streams discretely to the IP speakers in the room. “*CinemaLinX* and IP Speakers provide the ultimate performance from a home theater,” commented Braithwaite. “We make the multi-channel audio experience more accurate thanks to the digital transmission of the signal directly to the IP Speakers.”

The new *CinemaLinX* also features the ability to control everything in the home theater with one button, so that a user can dim the lights, drop the movie screen, turn down the A/C, power up the projector and start the movie. Two models will be available – one with a beautiful anodized aluminum faceplate that features an attractive LCD touch screen on the front panel for easy control and one without the touch screen. Both models include an IR receiver for control via a universal remote.

The CEDIA show demonstration also showcases *StreamNet* connected home theater speakers from Sonance[®], the leader in architectural audio[™]. “With our *StreamNet* technology, dramatic improvements in home theater performance can also be realized, particularly when a completely IP-Based solution with IP Speakers is employed,” commented Braithwaite. Since the passive filters are eliminated with IP Speakers, the sound pressure output can be increased dramatically without increasing the current draw, making the home theater sound like it has more power.

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This translates into tangible audio performance improvements that are noticeable, such as an expanded sound stage, and better sound imaging over a traditional analog home theater.

NetStreams' IP-Based Home Theater solution also provides a lower carbon footprint vs. traditional analog home theater systems, thanks to increased amplifier efficiency, reduced copper content of the cabling, and reduced energy usage. The system is also future upgradeable so new audio and video formats can be easily supported.

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Additionally, in the future, dealers will be able automatically and easily calibrate the EQ for the room, and the speakers themselves can dynamically adjust the sound equalization for changes in the room such as the movement of furniture, addition or subtraction of people in the room and even whether or not the drapes are open or closed.

***NetStreams'* IP-Based Home Theater Solution Creates a New Product Category**

NetStreams' IP-Based Home Theater solution also is the first to extend the multi-channel digital audio experience throughout the home with perfect synchronization, marking the creation of a new category of products for the industry. "We started with a completely IP-Based Multi-Room Audio and Control solution, then added IP-Based Multi-Room Video to the network, and now we are creating a new category that we call **IP-Based Multi-Room Home Theater**," said Cárdenas. "Essentially, *NetStreams* is leveraging our technological developments with audio and video over IP to provide compelling benefits to the consumer's home theater experience."

While a recent CEA survey estimates home theater penetration in the United States at 36% of all households, *NetStreams* contends that a key growth trend in the high performance market is multiple home theaters. "This is particularly driven by HDTV and gaming because they both benefit from multi-channel audio," added Cárdenas, "and our innovation ties together multiple
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home theaters so that sources can be shared between them – with all of the multi-channel audio and high definition video *completely synchronized*. This is especially compelling for instances when the consumer desires to play the same A/V source in multiple rooms – for example, super bowl parties.”

When multiple IP-Based Home Theaters are connected to the same network, consumers can enjoy the best performance in any and all of their home theater rooms. All of the high definition, multi-channel audio and high definition video signals are transmitted digitally over the network. Consumers can also easily select from a myriad of sources on the network for playback in one or multiple home theaters.

The *NetStreams CinemaLinX* will be available through authorized *DigiLinX* custom installers in Q2 2008.

About NetStreams

Headquartered in Austin, Texas, *NetStreams* delivers the Ultimate IP A/V Experience by distributing high definition audio and video over TCP/IP networks. *NetStreams'* products, designed for commercial and residential use, offer unprecedented levels of performance, functionality, simplicity, reliability, and expandability. By combining audio/video content, meta-data and control signals into one stream and incorporating industry standards, *NetStreams* solutions are a smart investment. *NetStreams* is enabling the future of IP A/V – today.

For additional information on *NetStreams* and its innovative products, please visit www.netstreams.com.

About StreamNet

NetStreams' patent-pending *StreamNet* technology enables licensees to deliver complete IP-based audio/video distribution solutions over TCP/IP networks. *StreamNet* technology provides an end-to-end IP ecosystem for plug-n-play connectivity, A/V signal synchronization, high performance A/V reproduction, automatic device discovery and configuration, network control, and more. All products that carry the 'StreamNet Connected' logo are interoperable, enabling easy integration of audio/video and control products from multiple manufacturers. *StreamNet* provides a stable, easily expandable platform and toolset for future products and new applications. *StreamNet* enables manufacturers to deliver the future of A/V and IT convergence today. For more information, visit www.streamnetconnected.com.

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