

Avtrex Joins Philips' Nexperia Home Partner Program

Avtrex announces support for Philips PNX8550 Media Processor

San Jose, CA – January 5, 2005 — Avtrex, Inc. (www.avtrex.com) announced today that it has joined the Nexperia™ Home Partner Program of Royal Philips Electronics (NYSE: PHG, AEX: PHI). Avtrex has ported its personal video recorder (PVR/DVR) and digital media adapter (DMA) software to the Philips Semiconductor PNX8550 Nexperia media processor. Avtrex software, running on Nexperia-based media players, set top boxes, and other digital entertainment devices, will allow leading consumer electronics manufacturers to get to market faster with industry-leading features and functionality. The Avtrex software will be demonstrated by Philips in the North Hall #N243 and by Avtrex in its suite at the International Consumer Electronics Show (CES) in Las Vegas.

“Avtrex digital entertainment solutions are a perfect match for the power of the Nexperia processor,” said Steve Francis, CEO of Avtrex. “Advanced HDTV video recording combined with access to digital photos and music from around the home network allows manufacturers to create great products delivering the ultimate customer experience.”

Avtrex's award-winning personal video recorder technology provides PVR and digital media player functionality for high definition television (HDTV):

- HDTV television recording and playback with digital audio
- Electronic program guide (EPG) for simple recording setup
- Automatic recording of all episodes in a series
- Instantaneous search for shows based on name, actors, description, and many other criteria
- Automatic recording of future programs that match user criteria
- Browse and play MP3 music files stored locally or on any network-connected home computer
- Play a slide show or browse individual digital photos stored locally or on any network-connected home computer
- Direct support for removable media (Compact Flash, etc.)

The Avtrex PVR software provides dramatic advances in the home media experience. Two of the most exciting are advanced conflict resolution and multi-user support.

PVR users report unusually high customer satisfaction ratings. 83% of users were either “extremely satisfied” or “very satisfied” with their service according to a March 2003 In-Stat/MDR survey. But the more users record shows, the more likely they will experience a conflict when trying to record too many shows at the same time. The Avtrex conflict resolution technology automatically searches weeks of television schedule data to locate any alternative showing of each of the programs involved in the conflict. In a fraction of a second, it finds alternatives, and presents each possibility to the user to enable an informed choice.

Most homes in the United States have multiple televisions and multiple television viewers. The Avtrex software makes it easy for every member of the household to receive an appropriate experience. These capabilities include:

- personal channel line-ups with “favorites” to find interesting shows
- expanded parental control system, including
 - TV allowance restricting viewing times and duration

- content limits by rating, genre, or channel
- optional PIN system for limiting access
- storage space allocation – to keep particular family members from using up all the disk space
- make any recorded show available at any television: no need to plan ahead

A corresponding Philips press release is available at
http://www.semiconductors.philips.com/news/content/file_1120.html

About Avtrex

Avtrex, Inc, is a Silicon Valley-based startup focused on advanced technologies for digital video recording, digital television, and home media distribution. Avtrex is an OEM software provider whose customers are leading innovators in consumer electronics and digital entertainment. Avtrex is privately held, founded in 2001 by a team that has been working together for more than a decade. More information about Avtrex is available at www.avtrex.com.

About Royal Philips Electronics

Royal Philips Electronics of the Netherlands (NYSE: PHG, AEX: PHI) is one of the world's biggest electronics companies and Europe's largest, with sales of EUR 29 billion in 2003. With activities in the three interlocking domains of healthcare, lifestyle and technology and 165,600 employees in more than 60 countries, it has market leadership positions in medical diagnostic imaging and patient monitoring, color television sets, electric shavers, lighting and silicon system solutions. News from Philips is located at www.semiconductors.philips.com. Nexperia is a trademark of Royal Philips Electronics of the Netherlands.

For more information:

Avtrex, Inc.
Steve Francis
408-985-8600
sfrancis@avtrex.com