

Press Release

DTS AND CODING TECHNOLOGIES BRING MPEG-4 MULTI-CHANNEL AUDIO FOR HDTV INTO THE HOME AT CES

Companies Demonstrate New Set-Top Box Technology that Delivers Latest High Quality aacPlus Surround Sound for HDTV to Consumers' Home Theater Equipment

CES, Las Vegas, January 8, 2007 — DTS Inc. (NASDAQ: DTSI) and Coding Technologies today announced the live demonstration of set-top box technology that enables delivery of the latest MPEG-4 aacPlus multi-channel audio for HDTV to consumers' existing home theater systems at the CES, January 8-12, 2007, in Las Vegas. The companies will hold the demonstrations throughout the show at the DTS booth #1 21544, South Hall, Las Vegas Convention Center.

With the efficiency and audio quality of the aacPlus codec, consumers can now receive much more HDTV programming in high quality surround sound, allowing broadcasters to deliver more movies, more sports, more documentaries and more dramas in 5.1-channels than ever before. They can also provide programming with multiple language surround soundtracks, as on DVD releases. They can now do so with immediate access to the entire install base of home theater systems.

Until now, the major barrier to broadcasters implementing the latest advanced, high efficiency multi-channel audio codecs for MPEG-4 based HDTV broadcasts has been the lack of any means for consumers to decode the surround sound in the home. Working with Coding Technologies in Europe, DTS has enabled the 'transcoding' of that company's advanced aacPlus MPEG-4 audio codec to DTS Digital Surround in the set-top box. With a simple SPDIF connection from the set-top box, this can now be decoded in virtually all A/V receivers.

aacPlus employs a number of advanced open standard techniques developed by Coding Technologies. This creates significant bandwidth efficiencies and reduces transmission costs for broadcasters, allowing them to provide surround sound transmissions on a greater range of programming.

Pioneering HDTV service, Euro1080 has announced that it will implement aacPlus surround sound as part of its recent switch from MPEG-2 to higher quality MPEG-4 transmissions. Several other major broadcasters in Europe and elsewhere are also planning to implement the technology.

“Euro1080 has been the leading technical innovator in implementing European HD broadcast services. We have always been ahead of the rest of the industry, and first in the world to broadcast using the MPEG-4 standard,” said Jacques Schepers, Technical Director at Euro1080. “Now we are adopting MPEG-4 compression across all of our channels, and we intend to incorporate the advantages inherent in the DTS/aacPlus broadcast solution in our service plan, going forward into 2007.”

Incorporating the aacPlus/DTS transcode, set-top boxes from several manufacturers are scheduled to come to market imminently. IC manufacturers have been producing the required chip sets for several months now.

Coding Technologies and DTS demonstrate the aacPlus/DTS transcoding solution at CES, January 8 - 11, booth #1 21544, South Hall, Las Vegas Convention Center.

* Results proven in third party tests conducted by various independent organisations, including the EBU (European Broadcast Union), MPEG (Moving Pictures Expert Group), and IRT (Institut für Rundfunktechnik).

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Coding Technologies

Coding Technologies provides the best audio compression for mobile, broadcasting, and Internet. SBR™ (Spectral Band Replication) from Coding Technologies is a backward and forward compatible method to enhance the efficiency of any audio codec; putting the "PRO" in mp3PRO and the "Plus" in aacPlus. Parametric Stereo from Coding Technologies and Philips again significantly increases the efficiency of audio codecs for stereo signals at low bit rates. Products from Coding Technologies are fundamental enablers of open standards such as 3GPP, 3GPP2, MPEG, DVB, Digital Radio Mondiale, HD Radio, and the DVD Forum.

Coding Technologies is a privately held company with offices in Sweden, Germany, China, and the USA. Founded in 1997 in Stockholm, the company later merged with a spin-off of the renowned Fraunhofer Institute in Germany, the inventor of MP3. Coding Technologies' customers include America Online, EMP, iBiquity Digital, KDDI, O2, Nokia, Orange, RealNetworks, SK Telecom, Sprint, T-Mobile, Thomson, Texas Instruments, Vodafone, and XM Satellite Radio.

For more information, visit www.codingtechnologies.com.

DTS

DTS, Inc. (NASDAQ: DTSI) is a digital technology company dedicated to delivering the ultimate entertainment experience. DTS decoders are in virtually every major brand of 5.1-channel surround processor, and there are hundreds of millions of DTS-licensed consumer electronics products available worldwide. A pioneer in multi-channel audio, DTS technology is in home theatre, car audio, PC and game console products, as well as DVD-Video, Surround Music and DVD-ROM software. DTS audio products are featured on more than 27,000 motion picture screens worldwide. Additionally, DTS provides imaging technology and services for the motion picture industry; DTS Digital Images, formerly Lowry Digital Images, is a wholly-owned subsidiary of DTS and an industry leader in image restoration and enhancement. Founded in 1993, DTS is headquartered in Agoura Hills, California and has offices in the United Kingdom, France, Italy, Canada, Hong Kong, Japan and China. For further information, please visit www.dts.com.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks, uncertainties, assumptions and other factors which, if they do not materialize or prove correct, could cause DTS' results to differ materially from historical results or those expressed or implied by such forward-looking statements. All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements, including statements containing the words "planned," "expects," "believes," "strategy," "opportunity," "anticipates" and similar words. These statements may include, among others, plans, strategies and objectives of management for future operations; any statements regarding proposed new products, services or developments; any statements regarding future economic conditions or financial or operating performance; statements of belief and any statements of assumptions underlying any of the foregoing. The potential risks and uncertainties that could cause actual growth and results to differ materially include, but are not limited to, the rapidly changing and competitive nature of the digital audio, consumer electronics and entertainment markets, the company's inclusion in or exclusion from governmental and industry standards, customer

acceptance of the company's technology, products, services and pricing, risks related to ownership and enforcement of intellectual property, the continued release and availability of entertainment content containing DTS audio soundtracks, changes in domestic and international market and political conditions, risks related to integrating acquisitions and other risks and uncertainties more fully described in DTS' public filings with the Securities and Exchange Commission, available at www.sec.gov. DTS assumes no obligation to update any forward-looking statement to reflect events or circumstances arising after the date on which it was made.

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