Press Information:

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Sonarics' ClearSignal powers the DAB Automotive industry After Passing Rigorous Acceptance Tests, ClearSignal Software Based Solution is to Provide Entertainment in Luxury German Cars

London, UK -- October 2, 2006 -- Sonarics Labs, the industry leader for DAB/DMB intellectual property (IP) solutions, announces that a ClearSignal-DAB radio can now be ordered as an option in high-end German car models. The Band III and L-band ClearSignal car radios are designed and manufactured by a tier-one automotive infotainment System Integrator who licenses the DAB technology from Sonarics.

ClearSignal technology includes an unprecedented anti channel fading performance for a DAB car receiver, by including state-of-the-art algorithms to add to the inherent quality and affordability expected from a Sonarics product.

"Following our excellent track record of delivering DAB technology, the successful completion of the German automotive qualification process and design is an important milestone for Sonarics and an additional achievement for Sonarics software approach which we are very proud of.", said Tanya Morales, chairman of Sonarics Labs. "The new business model of IP licensing fits remarkably well with Sonarics evolution and we will definitely focus on it."

Owing to an increased interest in the new Automotive DAB solution by OEM and aftermarket System Integrators, Sonarics believes that it will further boost its already substantial market for the hundreds of thousands of DAB radio units already shipped.

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Notes to Editors

About ClearSignal-DAB radio

ClearSignal-DAB radio is Sonarics' solution for DAB/DMB. It complies with Eureka 147 DAB baseband standard ETSI EN 300 401 for Band III and L-Band, includes XPAD, MOT slide show and EPG decoders. On the A/V side it complies with ETSI standard TS 102 427 for DMB TS streaming and H.264 video decoder, and supports a set of audio decoders - BSAC, HE AAC, MP3 and WMA, a software decoder of FM with RDS, a JPEG decoder, a sound processing engine (Bass, Treble Equalizer and effects) and a file-system.

ClearSignal fixed-point design is optimized specifically for low cost embedded core processors and DSPs, and includes an extensive set of APIs, simulations, test vectors and ATP.

The solution has been tuned and is offered to three groups of customers as following:

- ClearSignal for SoC IP for semiconductor and SoC developers;
- ClearSignal for SI solution for OEM System Integrators and RF chip designers;
- ClearSignal Production Kit ready-made modules for mobile TV and digital radio manufacturers.

ClearSignal is available now.

About Sonarics

Founded in 2002 by a group of experienced engineers and entrepreneurs, Sonarics Labs Ltd provides solutions for the DAB/DMB industry, enabling its customers to design SoC and multimedia receivers. Since its inception, Sonarics has successfully won DAB designs, through a unique combination of technology and services, thus gaining an unparalleled DAB experience.

Leveraging its DAB experience and signal processing skills, Sonarics developed a DMB decoder on a single low-cost DSP, and now is offering a DMB solution and IP to the mobile TV market.

Products using Sonarics' technology can be found today from retail chains stores to high-end European car interiors. Sonarics is headquartered in the UK and has its R&D centre in Israel. Please visit <u>www.sonarics.com</u> for additional information.

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