



**FOR IMMEDIATE RELEASE**

**NAPSTER TO EMPLOY PLAYMEDIA SYSTEMS' SECURE ENCODING AND PLAYBACK TECHNOLOGY IN NEW MEMBERSHIP SERVICE**

**Napster Expands and Extends its License of PlayMedia's AMP® Technology**

**Redwood City, CA and Los Angeles, CA – July 16, 2001** – Napster has selected PlayMedia Systems' popular AMP® technology to power the secure digital music player in its new membership service, which is slated to launch later this summer. In addition, PlayMedia has emerged as key consulting engineers for file security technology for the new membership service.

Furthering a relationship with Napster that began last year, PlayMedia has developed and is helping to deploy customized playback, encryption, decryption and specialized security technologies that enable the Napster software to encode, recognize and play protected music files on the Napster membership service. As part of the agreement, Napster has renewed its license for PlayMedia's AMP® technology, which has powered Napster's media players since the Beta 8 version was released in December 2000. A proprietary version of AMP® has been developed for the new membership service.

"Napster is at the forefront of using some extremely advanced rights management and security technologies in a file-sharing environment," said Napster's interim CEO Hank Barry.

"PlayMedia's technologies and consulting services for playback and advanced file security have been instrumental in helping us build a new Napster service that will give our users a satisfying experience for discovering and listening to new music."

"PlayMedia is pleased to be working with Napster to develop a playback and file security system that preserves the delicate balance between security, listener convenience and music enjoyment," added PlayMedia Chairman and CEO Brian Litman.

Millions of people around the world have used PlayMedia's AMP® technology, the namesake "AMP" in AOL's Winamp, to listen to digital audio on their personal computers. AMP® is also used in other diverse applications such as CD-ROMs, online games, music education applications, digital music jukeboxes and music playback in retail establishments. PlayMedia's AMP® technology is available for the Microsoft Windows®, Linux, Mac®, Symbian™ QNX®, and VxWorks® operating systems. Additionally, AMP® has been ported to major processing platforms including those from Intel®, ARM®, PowerPC™ and MIPS® for use in portable electronics devices and set-top boxes.

**About PlayMedia Systems, Inc.**

PlayMedia Systems Inc. designs, develops and deploys media and security systems that support viable business models for digital content distribution and related e-commerce. The company's media systems and conditional-access technologies enable media, travel and event-marketing companies to maximize the value of their digital assets and inventory by empowering consumers to access these experiences in advanced, yet convenient ways. PlayMedia's AMP® MP3 playback technology, the namesake "AMP" in AOL's Winamp, powers various digital audio players and is used by hundreds of millions of people around the world. The company's file format and security systems are also a key component of leading business-to-business music distribution systems such as DMX/AEI Music's ProFusion™. PlayMedia Systems was founded in January 1998 and is headquartered in Los Angeles. Visit [www.playmediasystems.com](http://www.playmediasystems.com) for additional information.



### **About Napster**

Napster is the world's leading person-to-person file sharing community and the fastest growing community in the history of the Internet, with nearly 85 million passionate music fans. Napster provides music enthusiasts with an easy-to-use, high quality service for discovering new music and communicating their interests with other members of the Napster community. Napster's software application enables users to locate and share music files through an easy-to-use interface, and features instant messaging, chat rooms, and Hot List User Bookmarks.

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