



NEWS

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ESS INTRODUCES ADVANCED, SINGLE-CHIP, PROGRESSIVE-SCAN DVD MULTIMEDIA PROCESSOR

New DVD Solution Vastly Enhances the Home Entertainment Experience

FREMONT, Calif., June 5, 2001—ESS Technology, Inc. (Nasdaq: ESST), a leading provider of silicon solutions for digital video, communications, and digital home systems, today at the Computex 2001 in Taiwan introduced its third-generation, single-chip, progressive-scan DVD solution. This advanced DVD multimedia processor is based on ESS Technology's Programmable Multimedia Processor (PMP) architecture integrated with an NTSC/PAL TV encoder for a single-chip solution. This DVD chip's full set of features includes DVD-audio, progressive scan output, Internet Web browsing, and more.

The ES4438 PMP architecture includes two advanced embedded processors; a 32-bit RISC CPU for general system management and a 64-bit digital signal processor (DSP) for audio/video and graphics acceleration. The programmable core is flexible in order to accommodate future applications and feature development.

The ES4438 single-chip solution integrates a video DAC and NTSC/PAL TV encoder, which reduces system costs and increases design efficiency. The video outputs support S-Video, composite, and YUV component video to satisfy the general requirements of the marketplace.

The built-in SmartScan™ capability is high-quality, field-adaptive, de-interlace progressive scan for high-end video output. This feature supports Macrovision AGC version 1.03 for 480P. The ES4438 is DVD-audio compliant and includes multichannel meridian lossless packing (MLP) audio decode, linear pulse code modulation (LPCM) audio decode, audio watermark detection, and copy protection for prerecorded media (CPPM), and supports up to 192-kHz sampling rates and 24-bit resolution, high-resolution still pictures, and DVD-Audio navigation.

William K. Wong, vice-president of marketing stated, “The DVD market is growing at a record pace. The reduced system cost with high integration and add-on features are important factors that drive the consumer market. We believe that the ES4438 DVD single-chip solution will lead the industry in fulfilling the demand in the digital video market.”

Mr. Wong continued, “Other new features for the ES4438 include: DVD-Audio, JPEG decode, embedded web browser, and a seamless front-end loader interface. The new application supports JPEG decode and digital camera compact flash. The embedded web browser supports Internet browsing and e-mail functions for Internet appliances and e-commerce applications. The seamless front-end interface supports ATAPI, UDE, VSTEM, and most AV buses without an external circuit, which provides the most loader flexibility and lowest system cost.”

The ES4438 supports the leading audio and video standards and formats and full disk playback capabilities, including CD-DA, SACD, VCD, SVCD, DVD, Dolby Digital, Dolby ProLogic, DTS decoding, and MP3. The ES4438 also integrates the karaoke functions, 3D sound effects, and adaptive differential pulse code modulation (ADPCM) for voice recording.

The ES4438 comes in a 208-pin plastic quad flat pack (PQFP) package and will be sampled to customers in June. Production will commence in the second half of 2001.

About ESS Technology

ESS Technology, Inc., a leader in Internet, digital video, communications, and digital home systems, provides advanced products enabling the convergence of communications,

computer, consumer, and Internet markets. ESS's subsidiary, Vialta, provides advanced, easy-to-use products and applications for the Internet. Products include multimedia appliances, applications, and content for home entertainment and the Internet.

ESS, headquartered in Fremont, California, has R&D, sales, and technical support offices worldwide. ESS Technology's common stock is traded on the Nasdaq under the symbol ESST. ESS Technology's web site address is: <http://www.esstech.com>.

The matters discussed in this news release include certain forward-looking statements that involve risks and uncertainties, including, but not limited to, the timely availability and acceptance of the Company's new products, the impact of competitive products and pricing, the dependence on continued growth in demand for PC and consumer multimedia products, as well as the other risks detailed from time to time in the SEC reports of ESS, including the reports on Form 10-K and Form 10Q. Actual results could differ materially from those projected in the forward-looking statements.