FOR IMMEDIATE RELEASE

AUDIOSCIENCE LICENSES MP3 FROM THOMSON AND FRAUNHOFER.

NEWCASTLE, DE (August-22, 2001). – AudioScience Inc., a specialist in digital audio peripherals for the broadcast and entertainment markets, has announced that it has licensed MPEG Layer 3 (MP3) from Thomson multimedia and the Fraunhofer Institute for Integrated Circuits IIS-A for use in its DSP based sound cards.

"The MP3 compression format has proven itself in the consumer market place and now finds increasing use in the broadcast environment" says Stephen Turner, Vice President of AudioScience. "It will compliment our existing MPEG Layer 2 format and will offer a greater range of compression ratios while maintaining CD-quaility audio"

As well as the patent license from Thomson multimedia, AudioScience has licensed a Texas Instruments TMS320C6711 version of the MP3 encoder from Fraunhofer. "Everybody knows that the Fraunhofer MP3 encoder is the standard by which all others are judged. It is the Mercedes-Benz of MP3 encoders" says Dr Andrew Elder, Director of Software for AudioScience.

MP3, which is part of ISO standard 11172-3, is the most powerful member of the MPEG-1 audio coding family. Based on psycho acoustic principles, the algorithm compresses audio by removing sounds that cannot be heard by the human ear due to phenomena of auditory masking. CD quality audio can be maintained while using compressed bit rates of 128kbs.

"AudioScience has taken the lead in offering products that incorporate MP3 encoding to support the radio broadcast market" said Henri Linde, Vice President, New Business of the Patent Licensing unit of Thomson multimedia. "After being the most popular audio compression format over the Internet we expect MP3 to break into the broadcast world now".

About AudioScience, Inc.

AudioScience, Inc. designs, manufactures and markets digital audio peripherals for computer-based digital audio applications. AudioScience is headquartered in New Castle, Delaware with offices in Costa Mesa, California, Rochester, New York and Christchurch, New Zealand. It is located at 42C Reads Way, Newcastle, Delaware 19720; phone +1-302-324-5333, email sales@audioscience.com. For more information the company's web site is at www.audioscience.com.