

Pacific Digital Media Corporation Licenses Macrovision's Digital Pay-Per-View Copy Protection Technology

Entertainment/Business/Technology Editors

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Macrovision Corporation (NASDAQ:MVSN) announced today that Pacific Digital Media Corporation (PDM), Taiwan's first officially licensed direct-to-home (DTH) satellite service operator, has licensed Macrovision's copy protection technology for use in its forthcoming pay-per-view programming. Under the agreement, PDM will implement Macrovision copy protection capability within its uplink center software system and within its digital set-top boxes (STBs). Initially, Thomson will manufacture the digital STBs.

According to Mr. Daniel Tu, General Manager of Pacific Digital Media, "As the first officially-licensed DTH operator in Taiwan, Pacific Digital Media offers Taiwanese viewers an unprecedented number of pay-per-view movies, including top Hollywood blockbusters. To protect copyrighted content from unauthorized copying, PDM is pleased to license Macrovision for our broadcast system as well as for use within our digital set-top boxes. We hope that by doing so, PDM, as the pioneer and leader of the digital DTH industry in Taiwan, is setting a standard for others to follow."

"We are pleased to welcome Pacific Digital Media to the growing list of Macrovision-licensed digital video system operators around the globe," said Tom Carroux, Director of Pay-Per-View Copy Protection at Macrovision. "Unauthorized copying of programs impacts buy rates. Each copy can potentially deprive PDM of another pay-per-view transaction. Copy protection technology is a tool that operators such as Pacific Digital Media can use to maximize their return on investment in digital infrastructure."

Macrovision's digital pay-per-view copy protection technology allows consumers to view, but not record, programs that are encoded at the discretion of system operators or copyright owners. The technology is designed to deter unauthorized home taping of digitally delivered pay-per-view programs. This allows system operators to maximize pay-per-view revenues while minimizing cannibalization of copyright owners' home video revenues. Over 30 million Macrovision-enabled digital set-top boxes have been shipped since 1995, comprising approximately 90% of all digital set-top boxes shipped worldwide. Since 1998, over 40 million pay-per-view and video-on-demand buys have been copy protected, which has helped to maximize new and repeat program purchases.

About Pacific Digital Media

Pacific Digital Media is the leader in providing digital Direct-To-Home TV in Taiwan. PDM's DTH platform integrates the most advanced satellite technology and digital compression system with comprehensive multi-channel and multi-functional services. PDM has also announced its partnership with OpenTV to provide Taiwan viewers with interactive television service.

Among the prominent firms that established the Pacific Digital Media Corporation in 1999 are: Pacific Electric Wire & Cable Group (PEWC), Hsin Chu Trans. And Shihlin Electric & Engineering Group (Yang-Te Group), Lagardere Group, Thomson Multimedia Group, Teleport Access Services, Inc., and Spring International Co.

Additional background information on Pacific Digital Media can be found on the Internet at www.pacific-tv.com.

About Macrovision

Macrovision Corporation develops and markets content copy protection and rights management technologies and products to prevent the unauthorized duplication, reception or use of video and audio programs and computer software. The company provides its products and services primarily to the home video, pay-per-view, cable, satellite, video security, consumer multimedia and application software markets. Macrovision has its headquarters in Sunnyvale, California with subsidiaries in London and Tokyo.

All statements contained herein, as well as oral statements that may be made by the Company or by officers, directors or employees of the Company acting on the Company's behalf, that are not statements of historical fact, constitute forward-looking statements" and are made pursuant to the Safe-Harbor provisions of the Private Securities Litigation Reform Act of 1995.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. Such risks and uncertainties are outlined in Macrovision's Annual Report on Form 10-KSB for 1998 and its Registration Statement on Form S-3, both as filed with the Securities and Exchange Commission. These factors may not constitute all factors that could cause actual results to differ materially from those discussed in any forward-looking statement. The Company is not obligated to revise or update any forward-looking statements in order to reflect events or circumstances that may arise after the date of this release.

Note to Editors: Additional background information on Macrovision Corporation can be obtained from our Web Site at www.macrovision.com. Macrovision is a registered trademark of Macrovision Corporation

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