Hauppauge!

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HAUPPAUGE LAUNCHES NETWORK MEDIA DECODER, BRIDGING TV SETS AND PCs VIA HOME LANS

**MediaMVP TV Set-Top Receiver, Priced at $99.00, Allows Users to Play
PC-Based Music, Video, and Pictures from the Living Room Couch**

HAUPPAUGE, NY — (August 20th, 2003) — Hauppauge Digital, Inc. (NASDAQ: HAUP), a leading developer and manufacturer of digital video, TV, and data broadcast receiver products for personal computers, today announced its first in a line of network media receiver products. Network media decoders are designed to receive digital media from PCs via local area networks, and to decode and display the media onto TV sets.

The first model in this line, **MediaMVP**, is an Ethernet set-top decoder device which will have a retail price of $99.- It will enable TV sets to access PC-based Music, Video and Pictures ("MVP") via Ethernet home local area networks. It will provide PC users greater convenience and versatility with their audio/visual entertainment systems, by allowing them to view media stored on a PC at their TV set or through their home entertainment systems.

"Our MediaMVP will turn any TV set or home entertainment system into a media playback device via the home network," said Ken Plotkin, Hauppauge's Chief Executive Officer. "Now, from the comfort of the living room sofa, anyone can access and enjoy videos, MP3 music, family photos or other multimedia files on their TV set, without physically going to their PC. MediaMVP will also be great for setting up music and picture slideshows for parties."

Using MediaMVP, for example, individuals can play a video on their bedroom TV that's actually stored on a PC in the basement, or show JPEG photos of a recent vacation—accompanied by MP3 music—on the family room big screen TV with the MP3 music played through their living room audio system. Any hard drive that's available on the network is eligible for access to media stored there.

MediaMVP is suitable for home theater systems as well as plasma screens, TV monitors, and conventional TV sets. It supports MPEG-1/MPEG-2 videos, JPEG and GIF digital pictures, and MP3 music files. The initial model of MediaMVP supports wired 10- and 100-Mbit/sec Ethernet local area networks; other versions to be introduced in Q4 will support wireless WiFi (IEEE 802.11b) network connections.

Onscreen Menu

Navigating multimedia files from the TV is easy using MediaMVP's remote control and TV onscreen menu. Music titles can be accessed individually for random or organized playback; specific songs can also be grouped into playlists by date, artist, or style.

Pictures are a snap to select using the thumbnails displayed in MediaMVP's photo directories. Simply click on the "Play" or "OK" buttons on the remote control, and the selected photo will appear on the TV screen. With MediaMVP's slideshow function, it's easy to view holiday digital pictures on a TV set while listening to digital music played from the PC through the TV.

Videos are played in the same way, with stop, pause, and fast forward/reverse controls available on the remote.

Continuous pictures and music shows can be set up for family parties on the PC, and then played through the TV or home entertainment system via the home network. MediaMVP will play M3U, B4S, PLS and ASX music playlists from Music Match, Windows Media Player and Winamp.

Powerful Expansion Capabilities

In addition to its other features, MediaMVP is designed accommodate a wide variety of add-ons and user enhancements. By installing a Hauppauge WinTV-PVR a PC, for example, users can create a complete home TV and digital media distribution system. TV shows, sporting events, movies and more can be recorded or time shifted; viewers can even see their own custom instant replays without missing any of the

remaining program.

MediaMVP also runs on the Linux open-source operating system, enabling it to support numerous upgrades. Future options planned for the MediaMVP include smart card security access, On TV instant messaging and Internet games.

Current A/V connection options include S-video, composite video and RGB, plus stereo audio output. The MediaMVP is compatible with any PC running Windows XP or XP Professional.

Pricing and Availability

Hauppauge's MediaMVP set-top decoder device is priced at just $99.00 for the wired version. Units will be appearing in major consumer electronics, computer, and specialty retailers in September. For more information about the MediaMVP, or any of Hauppauge's other digital video TV and data broadcast receiver products, visit www.hauppauge.com.

About Hauppauge Digital:
Hauppauge Digital, Inc. (NASDAQ: HAUP) is a leading developer and manufacturer of digital TV and data broadcast receiver products for personal computers. Through its Hauppauge Computer Works, Inc. and Hauppauge Digital Europe subsidiaries, the Company designs and develops digital video boards for TV-in-a-window, digital video editing and video conferencing. The Company is headquartered in Hauppauge, New York, with administrative offices in New York, Singapore, Ireland and Luxembourg and sales offices in Germany, London, Paris, The Netherlands, Sweden, Italy, Spain, Singapore and California. The Company's Internet web site can be found at http://www.hauppauge.com.

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