

Hillcrest Labs Tapped by LG to Bring Motion Control to First 3DTV Internet- Connected LED LCD HDTVs

*- Hillcrest Labs' Patented Freespace® Technology enables LG's "Magic Wand" Remotes for its
INFINIA LED LCD HDTVs -*

- New LG TVs Will Enable Consumers to Simply Point-and-Click to Control Content -

*- LG Signs World Wide Agreement to License Hillcrest Labs'
Freespace Motion Control Solution -*

Rockville, MD – August 26, 2010 – Hillcrest Labs disclosed today that LG Electronics is using Hillcrest Labs' patented Freespace® in-air pointing and motion control technology for LG's first 3D-ready, Internet-connected HDTVs that are currently shipping in the Korean market and will be available globally. LG and Hillcrest have entered into a world wide license agreement for LG to use Hillcrest Labs' patented Freespace in-air pointing and motion control solution in current and future products.

The "Magic Wand" remote, powered by Hillcrest Labs' Freespace technology will be included in certain models within LG's new INFINIA line of LED LCD HDTVs. The INFINIA sets combine a slim design, a thin bezel, and an enhanced Internet connectivity package with a variety of entertainment options, including LG's NetCast Entertainment Access™. In addition to the wired Ethernet jack in the INFINIA sets, these NetCast-enabled TVs can integrate into a wireless home network by using a USB wireless broadband adaptor (sold separately). The INFINIA models are the first to use LG's unique "Magic Wand" remote control system.

LG's "Magic" user interface brings together Internet-based applications, television menus, embedded games, and more using simple hand motions to control an on-screen cursor on the television. Consumers using the "Magic Wand" remote with Netcast will be able to access and navigate Internet-based applications specifically designed for the TV, without the need of a computer.

"Decades ago, the mouse transformed the entire computer industry, and ushered in a new era of simplicity and interactivity for consumers around the world," said Kwon IL Geun, vice president of LCD TV Lab of LG Electronics. "Our new INFINIA LED LCD HDTV sets are positioned to do the same for television. Thanks to the pioneering efforts of Hillcrest Labs, we have been able to create a first-of-its-kind, mouse-like experience for television that was specifically designed for our new connected TVs."

"We are very proud to be working with LG, one of the world's most respected TV brands," said Dan Simpkins, CEO of Hillcrest Labs. "This is a tremendous milestone in the history of our company and our efforts with interactive television."

"As more over-the-top content choices become available on TV, conventional up-down-left-right-remote control systems simply will not scale," said David Mercer, vice president and principal analyst of the Digital Consumer Practice at Strategy Analytics. "Pointer-based interfaces like Freespace are far more efficient and fun. LG is the first TV manufacturer in the world to recognize and apply this concept to televisions, and we believe that it will be a siren call for the rest of the TV industry."

Freespace and the Magic Wand

Hillcrest Labs' Freespace technology is a complete solution for in-air pointing and motion control that can be added to a wide range of CE devices, including: remote controls, game controllers, mobile handsets, PC peripherals and more. The LG Magic Wand system utilizes Freespace to make a remote control with the most advanced in-air pointing and motion control capabilities on the market today. These include:

- **High Resolution Pointer Accuracy:** The Magic Wand is a highly precise pointing remote control which allows users to easily select icons and images, small and large, on a high-resolution screen.
- **Orientation Compensation:** Regardless of the orientation of the Magic Wand remote in space (e.g. pointing at the ground, turned sideways, etc.), Freespace technology generates intuitive cursor motions on the screen. MEMS (Micro-Electro-Mechanical Systems) sensors combined with Hillcrest's proprietary software enable consistent control of the device from any position – standing, sitting or reclining.
- **Adaptive Tremor Removal:** Hillcrest's technology can distinguish between intentional and unintentional movement, including natural hand tremors. This means the Magic Wand's cursor does not shake or jiggle on screen like that of a Wii-like game controller. Instead of employing simple filtering techniques, which would reduce the accuracy of the pointer, the Magic Wand dynamically measures and removes each individual user's tremor while maintaining low latency of motion.
- **No Line-of-Sight:** Unlike conventional infrared devices and optical motion-sensing devices that require "line-of-sight" operation, the Magic Wand remote uses RF (radio frequency) technology, so users do not need to point directly at the computer or TV screen. This gives users greater freedom to move around at a range of up to 30 feet across the living room.

Freespace technology enables full six degree-of-freedom motion, and is the same award-winning technology used in Hillcrest's Loop™ pointer – an in-air mouse designed for consumers who connect their computers to a television. Companies that have licensed Freespace for use in their products include: Eastman Kodak, LG Electronics, Logitech, Universal Electronics (UEI), and others. Hillcrest Labs' solution is backed by a broad set of intellectual property including more than 40 issued patents, out of more than 200 filed by the company.

For additional information about LG INFINIA LX 9500 LED LCD HDTVs, visit <http://www.lge.com/us/infinia/index.jsp>. For additional information about Hillcrest Labs, visit www.hillcrestlabs.com.

About Hillcrest Labs

[Hillcrest Laboratories](#) (a.k.a. Hillcrest Labs) sells products to consumer electronics manufacturers, service providers, and consumers that enable unique, interactive digital media experiences for TVs and other digital media devices. Hillcrest Labs sells and licenses its pointing technology, called [Freespace®](#), for use in a wide range of consumer devices including remote controls, PC mice, and game controllers. Companies that have licensed Hillcrest Labs' technology for use in their products include: Eastman Kodak, LG, Logitech, Universal Electronics (UEI), and others. For consumers, Hillcrest Labs sells the [Loop™ pointer](#), an in-air mouse for TV that lets users control an onscreen cursor with a flick of the wrist and navigate the Web or their home media content on TV. Hillcrest Labs also offers the [Kyro™](#) browser, a free Web browser for TV.

Hillcrest Labs has received numerous awards and recognitions including the CES Innovations Award, PC World's 100 Best Products and Greatest Tech Designs, Popular Mechanics' Editors Choice, ECN's Reader's Choice Tech, and many others. For additional information, visit www.hillcrestlabs.com.

About LG Electronics, Inc.

LG Electronics, Inc. (KSE: 066570.KS) is a global leader and technology innovator in consumer electronics, mobile communications and home appliances, employing more than 80,000 people working in over 115 operations around the world. With 2009 global sales of 55.5 trillion Korean Won (43.4 billion US Dollars), LG comprises of five business units – Home Entertainment, Mobile Communications, Home Appliance, Air Conditioning and Business Solutions. LG is one of the world's leading producers of flat panel TVs, audio and video products, mobile handsets, air conditioners and washing machines. LG has signed a long-term agreement to become both a Global Partner of Formula 1™ and a Technology Partner of Formula 1™. As part of this top-level association, LG acquires exclusive designations and marketing rights as the official consumer electronics, mobile phone and data processor of this global sporting event. For more information, please visit www.lg.com.

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