



PlayTV Acquires Pixel Technologies Establishing PixelPlay Inc., a New Global Leader in Interactive Television Games

Recently Formed Company Led by Industry Veteran Ron Chaimowitz, Combines Top Brands and Next-Generation Technology to Develop Cross-Platform Entertainment

NEW YORK, March 22 /PRNewswire/ -- PlayTV, a leading publisher of games and services for the digital set-top box, announced today it has reached an agreement to acquire Pixel Technologies, a provider of cross-platform entertainment technology to establish the combined entity PixelPlay Inc.

PlayTV has secured funding commitments from institutional investors to further its growth in content, distribution and development. The acquisition immediately positions PixelPlay as a worldwide leader of brand-name entertainment for emerging platforms including interactive television, broadband, IPTV and mobile devices.

iTV, mobile and broadband games are high growth markets that are expected to reach \$21 billion in revenue by 2010. PixelPlay currently reaches over 15 million households through its existing distribution relations and expects to reach more than 40 million in 2006. By combining the branded content assets, technology and distribution of both PlayTV and Pixel Technologies, PixelPlay will now have the capability to best exploit this growth trend. PixelPlay's exclusive rights to highly recognized brands from companies such as Hasbro, Atari, Tribune Media, Blue Planet's Tetris, RealArcade, Deep Blue Chess and RiverDeep, along with its advanced technology solutions for cross-platform gaming, will enable the company to offer a new level of digital entertainment products and services to MSOs and their subscribers like never before.

Since 2002, privately held PlayTV, led by Ron Chaimowitz, has provided subscription-based games for the digital set-top box on cable and satellite systems. The company has established licensing agreements with many of the world's top brands ranging from notable family entertainment to classic arcade games, with the goal of providing compelling content to the casual game and children's education/edutainment market. Prior to PlayTV, Chaimowitz was the co-founder and CEO of GT Interactive, which he built to \$500 million in revenue over five years and brought public in 1995. He worked at CBS for more than 13 years launching three divisions in the music and broadcast groups. In 1997, he was awarded the "Entrepreneur of the Year" by Ernst & Young.

Pixel Technologies, a privately-held, has been an innovator and leader in providing cross platform and multi-user technology, services and edutainment content to network service operators and subscribers on a world wide basis. The company's cross-platform capabilities incorporate content, state-of-the-art technology and carrier-class service for mobile, interactive television, and broadband operators. Pixel Technologies' customers in the past three years include industry leaders such as Microsoft, EchoStar, Bell ExpressVu, Liberate, Open TV, Hot Network in Israel and Multichoice in South Africa.

"We are very excited about this acquisition which will further our strategy of delivering superior technology and service as well as branded entertainment to service providers," said PlayTV Founder and CEO, Ron Chaimowitz. Mr. Chaimowitz, an interactive games and entertainment industry veteran of more than 20 years, will serve as President and CEO of PixelPlay. "Our goal in combining with Pixel Technologies is to become the clear leader in content, technology and distribution and to simply raise the standard of interactive television games across the board."

"PlayTV has built a high profile catalog of entertainment brands into its portfolio and has been shaped by a game-industry veteran who is experienced in building successful interactive entertainment companies," said Ramy Weitz, President and CEO of Pixel Technologies, who will be Executive Chairman of PixelPlay. "Our entire team is elated and eager to start contributing our expertise in digital game technology which will foster new and exciting offerings with mass appeal."

For more information, visit
<http://www.pixelplay.com>.

About PixelPlay, Inc.

PixelPlay is the leading provider of entertainment and state-of-the-art technology for emerging platforms including interactive television, IPTV, Internet and mobile devices worldwide. The Company creates and distributes games featuring many top brands including Asteroids™, Monopoly®, Scrabble® and popular children's brands such as Little Bear and Reader Rabbit®. These notable brands combined with PixelPlay's patented JIVE™ Technology which enables consumers to experience cross-platform, multi-player interaction, allows the Company to provide highly profitable entertainment services to MSOs and wireless carriers. Headquartered in New York, PixelPlay was recently formed by the combination of Pixel-Technologies and PlayTV. As a result, the Company's executive management team has more than 50 years combined experience in media technology and entertainment and is now a driving force in the ITV industry. In 2004 and in 2005 PixelPlay was named "EchoStar Developer of the Year" and is recognized as a Mobility Preferred Partner by Microsoft, which presented

PixelPlay with their "Entertainment Application Developer of the Year Award."
For more information, please visit
<http://www.pixelplay.com>

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