



OKI Chooses to License DSP Group's Teak DSP Core

February 20, 2001

Santa Clara, California, February 20, 2001 – DSP Group, Inc. (NASDAQ: DSPG), a leading developer and marketer of high-performance, cost-effective, programmable digital signal processing cores, today announced that Oki Electric Industry Co., Ltd. (OKI) has licensed the Teak® DSP Core from DSP Group's line of cores for use in the design of high-performance DSP Systems-on-a-Chip (SoCs), in the areas of audio and wireless applications. OKI had previously licensed, and is currently developing applications with DSP Group's SmartCores™ family, OakDSPCore® and TeakLite®. The two companies are continuing their close cooperation in the development of advanced DSP applications.

OKI is a world leader in providing system LSI solutions with proven success in the marketplace. In addition to basing production of logic and system LSIs around its Silicon Platform Architecture (SPA) strategy, OKI developed the timesaving μPLAT® integrated platform for system LSI devices. These platforms provide a total system development environment for voice and telecommunications applications. Combined with OKI's mixed signal capability, the licensing of the Teak DSP core, in addition to the previously licensed OakDSPCore and TeakLite, further enhances OKI's system LSI offerings in applications where high-performance signal processing is required.

"We decided to adopt the Teak core because of its unique combination of high performance, for example its dual-MAC architecture, low-power and backward software compatibility," said Mr. Tetsuzo Taniguchi, VP Silicon Solutions Company, OKI Electric Industry Co., Ltd. "The Teak core can also be easily implemented and used with our existing software and hardware," he added.

The Teak DSP Core is a high-performance, 16-bit, fixed-point DSP core using a Dual-MAC (multiply-accumulate) architecture that enables a peak performance of 420 MIPS. The Teak core has a parallel instruction capability and performs high-speed interrupts and fast context switching. It also includes an extended program addressing space and new instructions that accelerate the performance of various DSP algorithms. Teak is known for its code compactness, and has an excellent program memory utilization that reduces the die cost.

"We are very pleased with OKI's decision to continue to adopt our technology for its products," said Ms. Bat-Sheva Ovadia, DSP Group's VP of Marketing and Business Development of the Technology Licensing Division. She added, "We are confident that this long-term relationship will strengthen the competitive edge of both companies."

The Teak core is a "soft core," a fully synthesizable core that easily ports into any library or process technology. Teak core is fully code-compatible with DSP Group's OakDSPCore and TeakLite, previously licensed by OKI. It offers a natural migration path for designs done using previous generation cores, but which require a higher performance.

About OKI Electric Industry Co.

Founded more than a century ago in 1881, OKI Electric Industry Co., Ltd. is Japan's first telecommunications manufacturer headquartered in Tokyo, Japan. With more than 20,000 employees worldwide, OKI Electric provides customers with top-notch products and technologies for telecommunication systems, information systems and electronic devices through its corporate slogan "OKI, Network Solutions for Global Society." All of OKI's manufacturing facilities are ISO9001- and ISO14001- certified.

About DSP Group, Inc.

DSP Group, Inc., is a global leader in the development and marketing of high-performance, cost-effective, licensable digital signal processing cores. The Company's family of DSP cores provides ideal solutions for low-power cost-driven applications such as cellular, broadband communication, VoIP, multimedia, advanced telecommunication systems, disk drive controllers and many other types of embedded control applications. By combining its DSP core technologies with its proprietary advanced speech-processing algorithms, DSP Group also delivers a wide range of enabling, application-specific ICs for full-featured integrated telephony products and digital cordless applications. DSP Group, Inc., maintains an international presence with offices located around the globe. Additional information is available on the World Wide Web at: <http://www.dspg.com>.

Statements contained in this release may constitute forward-looking statements. These statements involve certain risks and uncertainties such as acceptance of the company's new products by existing OEM customers, potential customers and the company's ability continue to add licensees and to develop and produce its new products at competitive costs. These factors and other factors which may effect future operating results or our stock price are discussed under "FACTORS AFFECTING FUTURE OPERATING RESULTS" in our report on Form 10-Q for the quarter ended September 30, 2000, which has been filed with the Securities and Exchange Commission and is also available on our website (www.dspg.com) under Investor Relations.

Teak®, TeakDSPCore®, OakDSPCore® are registered trademarks of DSP Group, Inc. SmartCores™ is a trademark of DSP Group, Inc. μPLAT® is a registered trademark of Oki Electric Industry Co., Ltd. All other trademarks are the property of their respective holders.

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