DSP Group, Inc., Announces the New TeakDSPCore™

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Most Recent Member of DSP Group's SmartCores™ Family of High-Performance, Low-voltage DSP Cores

SANTA CLARA, CALIFORNIA -- February 24, 1998 -- DSP Group, Inc. (NASDAQ: DSPG), today announced the availability of its new generation DSP core - the TeakDSPCore™. This core is the third member in the Company's portfolio of DSP cores, following the footsteps of the PineDSPCore™ and the OakDSPCore™ . With the TeakDSPCore, the Company further enhances its proven and successful business model of developing and licensing DSP cores.

In order to enhance versatility, efficiency and ease of use, the TeakDSPCore is offered in two complementary versions: The TeakLite™ and the Teak™. Each version is designed to provide effective solutions for different segments of the DSP market. The TeakLite is available now for licensing. The second and more advanced version, the Teak, will be available in the second half of 1998.

The TeakLite performance is extended beyond that of the OakDSPCore in three major areas:

- Processing power (MIPS): The TeakLite has a deeper pipeline, enabling operating speeds of 130MHz in a 0.25m process.
- Low Current. The TeakLite contains several unique built-in mechanisms designed specifically to reduce power consumption.
- Process Migration. The core is designed to be synthesizable, otherwise referred to as a 'soft core' design. This means that the core can be easily converted or 'ported' into different technologies -and foundries using fully automated methods. As a result, time to market is significantly reduced.

The TeakLite immediate market includes existing OakDSPCore customers seeking improved performance at affordable prices, as well as the fast developing market of new customers looking for high volume cost effective solutions.

The second and advanced version of the TeakDSPCore family, the Teak, will integrate all the TeakLite features along with major architectural improvements. Among them are:

- Dual Multiply Accumulate units (MAC) to provide peak performance of 260 DSP MIPS in a 0.25µ process.
- Double-word memory read/write instruction
- Faster response for interrupts context switching.
- Extended program-addressing space.
- Enhanced support for operating systems.
- The addition of new instructions to extend the performance of major DSP algorithms.

Both versions of the TeakDSPCore are backward code compatible with the OakDSPCore. Thus, effectively eliminating the need to recompile or rewrite existing software modules during migration to the TeakDSPCore. The TeakDSPCore also maintains the structure of the OakDSPCore hardware. As a result hardware modules interfacing with the OakDSPCore, remain unchanged through a TeakDSPCore migration process.

DSP Group is focusing its efforts in meeting customer's reliability and testability standards. The two versions of TeakDSPCore give chip designers the choice of full or partial implementation of scan testing methods, simple interface with various memory structures (e.g. synchronous or asynchronous) as well as debugging the software via a JTAG port.

"With the TeakDSPCore our goal is to provide a competitive solution to OEM's or ASIC vendors for advanced telecommunication standards such as IS95, IS136 and half rate GSM for cellular markets or V.90 and G.Lite within the modem market," said Gideon Wertheizer corporate vice president of marketing for DSP Group . "Our customers can further enhance their position by licensing our advanced in-house speech compression, voice recognition and echo suppression algorithms." Mr. Wertheizer added.

According to Will Strauss president of market watcher Forward Concepts "The chip markets driven by DSP technology continue to grow at a compound annual rate of over 30%, making it a market that no semiconductor house can ignore. As synthesizable soft cores, the TeakDSPCore family will be very appealing to many since they can be easily ported to wide range of processes. This will allow virtually any chip supplier to incorporate a DSP core into their products."

"The demand for DSPs for the telecommunication and multimedia markets continues to show impressive growth" said Eli Ayalon president and CEO of DSP Group. "We expect that price pressure along with a need for improved performance will push OEMs to offer effective customized solutions. The TeakDSPCore is designed to assist our customers to meet these technological challenges. We believe that the TeakDSPCore will enable our licensees to shorten their time to market and to offer high performance, low power, cost effective solutions," added Mr. Ayalon.

DSP Group, Inc. is a leader in the development and marketing of high-performance, cost-effective digital signal processing cores used in a wide range of applications for industries such as wireless communications, telephony and personal computing. By combining its DSP core technology with its advanced speech processing algorithms, DSP Group also delivers a wide range of enabling application-specific DSPs.

NOTE: PineDSPCore and OakDSPCore are registered trademarks of DSP group, Inc. TeakDSPCore, Teak and TeakLite are trademarks of DSP Group, Inc. All rights reserved worldwide.

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