



MatrixView

ASX Company Announcement – Media Release

MatrixView Cracks Compression Technology

4 September 2006, MatrixView Limited (ASX:MVU) announced today the availability of SQZit, a next generation data compression technology that compresses files nearly 300% faster than current technologies.

Immediate application is seen in mass market email and database providers, such as Yahoo!, AOL, MSN. SQZit enhances and builds on existing compression technology, which has been in the market for many years, and takes it into the future generation.

Using the patented (pending) Adaptive Binary Optimisation technology (ABO™), SQZit, reduces database storage requirements by more than 90%, leading to significant savings to large corporates and Internet storage businesses.

Speaking on the announcement, Mr Arvind Thiagarajan, the Inventor and Chairman, MatrixView said, "World wide there are one million IP addresses being created each month and about 30 billion emails sent each day and this is increasing exponentially. The issue of "CPU and Storage Starvation" is real and is creating cost issues and time delays."

SQZit solves these issues by compressing the data in a way that recognises and optimises different types of data separately without compromising quality or security.

He added, "For instance, performance results have shown that in image management, SQZit is able to gain savings of up to 40% on existing technology and can reduce storage needs by more than 75%, which will be very appealing to major storage companies such as EMC and HP."

Other major applications for SQZit will be in the management of network traffic for companies such as CISCO, Juniper and Citrix.

Commenting on the future applications of SQZit, Mr Robertson, Chief Executive Officer, MatrixView said, "We see this as the tip of the iceberg. The scope of applications and potential is endless. Compression at this level is required if applications including video, images and data are going to be a reality delivered over LAN, internet and wireless mediums." He added, "Imagine compressing a movie length DVD quality video for your iPod in minutes rather than hours."

The SQZit technology is currently in trial with several USA-based Fortune-100 companies and MatrixView OEM partners. Initial evaluations are very promising and may lead to major revenue in first half of CY07.

Companies in the compression market include Smith Micro Software (SMSI), with its Stuffit® compression product. Stuffit® focuses on the JPEG re-compression area and is a key product of SMSI which currently has a market capitalisation of around \$US300 million with revenues of over \$US20 million for the CY05.

Mr Robertson added, "At this stage of its early commercial release, SQZit competes very favourably with Stuffit® in the area of JPEG re-compression. However, we believe SQZit will quickly surpass anything currently available in the market due to continuing improvements in its performance and range of applications."

For further information contact:

Veronica Kennedy-Good
Mindshare Communications
Ph: +61 248622426
Mobile: +61 416101110
Email: veronica@mindsharecomms.com.au