



Newsletter no.7

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SIM2's Home Cinema "Scope" system Coming Soon to a home near you

Based on the same process used in commercial movie theater projection, this add-on system allows SIM2's projection systems to display movies filmed in a 2.35:1 aspect ratio at their full width without the black bars typical of "letterboxed" systems. The Home Cinema "Scope" System consists of a very high quality anamorphic lens attachment which is available with and without a motorized sled that allows remote and automated activation of the lens. While most high end home theater displays feature 16:9 "widescreen" aspect ratios, these systems are still significantly narrower than the 2.35:1 aspect ratio preferred for the finest cinematic releases. In order to display the full frames of these films, the video system must display black bars on part of the top and bottom of the screen in a process commonly known as "letterboxing". Not only does this result in an image that is "shorter" than the screen height, it also fails to make full use of the resolution capabilities of the unit, as the pixels associated with the "letterboxed" portions are essentially unused. As a result, nearly 1/3 of the projector's resolution capabilities are wasted, and there is decrease in brightness of as much as 20%. SIM2's Home Cinema "Scope" System corrects these deficiencies through a combination of internal image processing and external optical adjustment. By adjusting one of the projector's custom user settings, installers can set the unit's scaling to stretch 2.35:1 images vertically, cutting off the unused "letterbox" portions and using the full DMD chip resolution for image reproduction. When this image is projected through the extremely precise Home Cinema "Scope" lens, the image is then stretched horizontally in the exact ratio needed to restore the original 2.35:1 aspect ratio of the source material, providing the highest quality image possible using conventional projection systems. When displaying source material created in other common aspect ratios, such as 1.85:1, 1.78:1(16x9), or 1.33:1 (4x3) the projector processing is restored to its normal setting, and the anamorphic lens is removed from the projector output. When used in conjunction with the SIM2's top-of-the-line C3X or

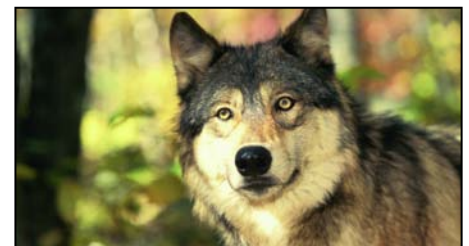
HT3000 projectors, the Home Cinema "Scope" System is available with an optional motorized sled, which is capable of inserting or removing the anamorphic lens when triggered by IR remote commands, or a whole-home control system. For other projectors, the lens is added and removed from the output manually. For further information please contact us at info@sim2.it.

Anamorphic Attachments at a glance

Why are they necessary?



Film image "letterboxed" for a 16x9 screen format



Same image reformatted for display on a 2.35:1 screen format

Benefits of an Anamorphic attachment:

- No light loss: the complete 16:9 panel is used
- Cinemascope (21:9) film is projected without black bars at the top and bottom of the image
- The attachment widens the picture horizontally by a factor of 1.33
- The height of the picture is not altered.
- 33% higher vertical resolution; more rows are used
- 33% more light used, black bars are eliminated
- the image width is 33% larger at the same projection distance



D80's secret recipe: Big-screen, Full HD on a budget

The first 1080p DLP projector on the market < USD 10,000



The D80 projector is built around Texas Instruments' newly introduced 0.95-inch 1080p DarkChip3™ DMD chipset, and is capable of displaying 1080p source material, such as HD-DVD and Blu-Ray discs, at full-1920x1080 resolution.

A combination of SIM2's new proprietary light engine and the 7-segment color wheel (RGBRGB + Neutral Density Filter) ensures that the D80 delivers a true contrast ratio of >4000:1 and accurate color rendition.

The seven-segment color wheel also helps minimize the "rainbow effect" that can bother some single-chip designs. The high quality optics is designed to produce the most compact arrangement of lamp and chipset possible, while offering control over picture aberrations. The result is a pure, undistorted and homogeneous image.

On-board 10 bit video processing prevents the introduction of motion artifacts and jagged edges. Its inputs include composite, SVHS, component, RGB and VGA and HDMI.

This unit incorporates optical lens shift, vertical and horizontal keystone correction, and a long throw distance (1.5—2.0 x screen width) to give superior placement options.

The D80 has a 4,000 hour 160 W lamp with no comparison to any other competitor in this category.

This projector is for the viewer that wants no compromise performance from true high definition, 1080p sources at a very reasonable price. The D80 features an HDCP-compliant HDMI input, as well as VGA, component,

composite, and S-Video inputs to accommodate a full range of video sources. The high-quality internal deinterlacing/scaling engine ensures optimal performance with a wide array of video sources. The D80 is capable of 16:9, 4:3, and Letterbox formats, and also includes three custom user settings for each input, allowing for additional aspect ratio adjustments.

The SIM2 D80 projector includes a rear-panel RS-232 port and dual 12V trigger outputs to simplify integration with whole house control systems, and to control motorized screens and other support equipment.

The SIM2 D80 1080p DLP® projector ships with a full-function remote control. It is currently available in either Matte Black or Matte White cabinet colors.

D80 projector: the main benefits

- The first 1 x 0,95" 1080p DLP projector on the market < USD 10,000
- 7-segment Colour wheel
- 10 bit video processing
- SIM2 AlphaPath light engine
- 160W lamp
- High Contrast Ratio over 4000:1
- Long-Throw ratio 1.8-2.4:1 lens
- 1x HDMI inputs
- New Dynamic Noise Reduction and Spatial Noise Reduction
- Excellent Grey-Scale Tracking
- Superb detail, sharpness, and clarity
- Adjustable color temperature for a perfect white level in all lighting conditions
- Built-in deinterlaced and video enhancer

Blu-ray vs HD-DVD

An overview on the "format war"

High definition disc players will be available in two different, incompatible formats: Blu-Ray and HD-DVD.

Both kinds of players will work with standard DVDs, but if you want a high-definition video experience on a disc, for the time being you will have to choose one or the other.

At this time it is hard to say if there is a leader in this format battle, or if there will ever be one.

Although both Blu-ray and HD-DVD are similar in many aspects, there are some important differences between them.

With this article we wish to give you some information on the two technologies, and perhaps help you pick your own favorite.

Blu-ray: The Blu-Ray Disc standard was jointly developed by a group of consumer electronics and PC companies called the Blu-ray Disc Association (BDA). The main supporters of this technology are Sony, Panasonic, Philips, Samsung, Pioneer, Sharp, JVC, Hitachi, Mitsubishi, TDK, Thomson, LG, Apple, HP and Dell. Studios planning to release content exclusively on Blu-Ray are Sony pictures, 20th Century Fox and Disney.

HD DVD: HD DVD has been recognized as the only format of approved next-generation technology by the DVD Forum, a group of 230 companies who develop and define DVD formats. The main supporters of this technology are Toshiba, Sanyo, Nec, Microsoft and Intel. Studios with exclusive commitment are HBO, Paramount, Universal and New Line Entertainment.

Warner Brothers studio plans to support both.

CAPACITIES

Blu-ray: Blu-ray offers up to 25GB of single-layer storage (for over 4 hours of high definition video with audio) or 50GB per dual-layer(which is roughly 8 hours). Currently BDA are researching 100GB and 200GB technology with

4 or 8 layers, this keeps the technology 'future proof'. Also in the works is an 8 cm disc variation with a 15GB capacity (regular discs are 12 cm).

HD DVD: HD DVD discs will have a standard 15GB capacity on a single layer, while dual-layer HD DVD discs will be available with a 30GB capacity. Dual and triple layer discs allowing larger capacities for read and write functionalities are currently in development.

THE DISC

Blu-ray: The Blu-ray uses "blue" laser technology, rather than the red laser used for normal DVDs for a shorter wavelength of 405nm (compared to 650nm of standard DVDs or 780nm of CDs). The smaller wavelength allows more data to be stored in the same amount of space. In the case of laser technology however, other factors must be introduced to help focus the laser. Blu-Ray include an increased numerical aperture (0.85 as compared to 0.6 used for DVDs), a higher quality dual-lens system, and uses a thinner cover layer on the disc (that is only 0.1mm thick) to reduce optical effects.

HD DVD: HD DVDs use the same blue laser technology as Blu-ray Discs. The difference between Blu-ray and HD DVD is the size of the aperture used on the optical pick-up head inside drives and players. HD DVDs only use a 0.65 aperture. The reason t is because of the surface layer of the discs; their thickness limits the efficiency of the laser. In fact, HD DVDs have the same thickness of the standard DVDs (0.6mm).

REGIONS and SECURITY

Blu-ray: There are only going to be three regions: 1= US, Canada, Mexico, South America, Japan & East Asia (excluding China); 2= Europe & Africa; 3= China, Russia, and all other countries.

Security: BD+ (a technology that allows dynamically changing encryption security);



Digital watermarking (a way of including a hidden copyright notice within the media); AAC S and HDCP, High-bandwidth Digital Content Protection (allows only licensed players to display the media at full resolution).

HD DVD: There is no Region coding in the existing HD DVD specification, but due to pressure from Hollywood studios the DVD Forum is currently developing a regional lockout scheme.

Security: HD DVD-ROMs will sport AAC S (Advanced Access Content System). In other words, every player will have an individual 'key' used in a broadcast encryption scheme, allowing licensors to identify individuals who have leaked their keys. HD DVD will also have Digital Watermarking, which hides a copyright notice that will prevent duplication or reproduction of media without authorization.

MAIN ADVANTAGES

Blu-ray technology has a superior memory capacity, a higher performing laser technology, as well as an innovative protective polymer surface layer (0.1mm as compared to 0.6mm, thus allowing more layers to be incorporated). The big advantage of **HD DVD** technology is that it is cheaper to make.. This should keep the cost of HD DVDs down for consumers in respect to Blu-Ray discs. In fact, because Blu-ray discs use a very different technology from traditional DVDs, manufacturers will have to retool their production plants, and those costs will have to be passed on to consumers somehow.

WHAT ABOUT PRICES?

HD DVD players and drives are a lot cheaper than Blu-ray devices. Blu-ray players will cost between \$1,000 and \$1,500h. Toshiba's first HD DVD player, the HD-A1, is being sold for just \$500.

Blu-ray vs HD-DVD

An overview on the "format war"

LATEST NEWS:

Time Warner's Total HD Disc

www.ave.com - January 4, 2007: J. Del Colliano writes:



"And now there are three? According to reports today from The New York Times, Time Warner will be showing a new disc called Total HD at the upcoming CES trade show in Las Vegas that will host both Blu-ray and HD DVD content on a single disc."

LIST OF MOVIE RELEASES

Blu-Ray: The first Blu-ray Disc titles released on June 20, 2006 were Hitch, The Fifth Element, House of Flying Daggers, Underworld: Evolution, 50 First Dates, XXX by Sony; and The Terminator by MGM. More than 130 titles have been released and a more are being released weekly.

HD-DVD: The first HD DVD titles released on April 18, 2006 were The Last Samurai, Million Dollar Baby, The Phantom of the Opera by Warner Home Video; and Serenity by Universal Studios. To date, 130 titles have been released in America and 61 in Japan.

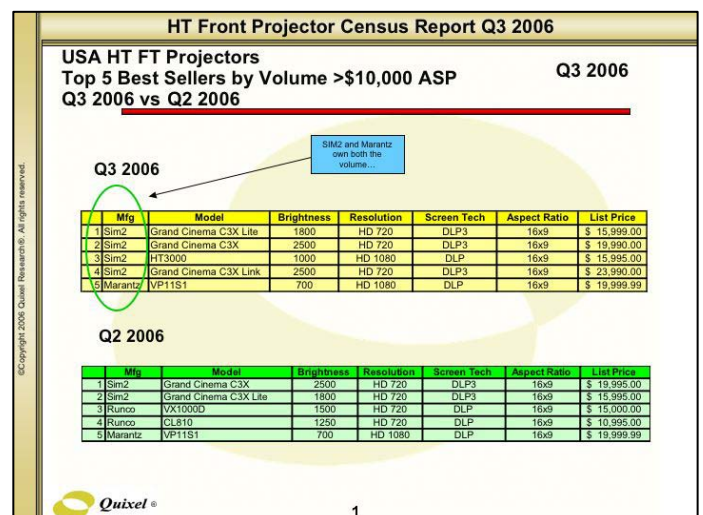
Upon request, we can provide a complete list of movie releases for both Blu-Ray and HD-DVD to date.

TECHNICAL DIFFERENCES AT A GLANCE

PARAMETERS	BLU-RAY	HD-DVD
Storage capacity	25GB (single-layer) 50GB (dual-layer)	15GB (single-layer) 30GB (dual-layer)
Laser wavelength	405 nanometers	405 nanometers
Numerical aperture (NA)	0.85	0.65
Disc diameter	120mm	120mm
Disc thickness	1.2mm	1.2mm
Protection layer	0.1mm	0.6mm
Hard coating	Yes	No
Track pitch	0.32µm	0.40µm
Data transfer rate (data)	36.0Mbps (1x)	36.55Mbps (1x)
Data transfer rate (video/audio)	54.0Mbps (1.5x)	36.55Mbps (1x)
Video resolution (max)	1920×1080 (1080p)	1920×1080 (1080p)
Video bit rate (max)	40.0Mbps	28.0Mbps
Video codes	MPEG-2 MPEG-4 AVC SMPTE VC-1	MPEG-2 MPEG-4 AVC SMPTE VC-1
Audio codecs	Linear PCM Dolby Digital Dolby Digital Plus Dolby TrueHD DTS Digital Surround DTS-HD	Linear PCM Dolby Digital Dolby Digital Plus Dolby TrueHD DTS Digital Surround DTS-HD
Interactivity	BD-J	IHD

Quixel Research's third quarter 2006 data shows SIM2's C3X series and HT3000 as the top 4 best-selling projectors in the US

SIM2 has increased its domination of the competitive over-\$10,000 sales bracket, with the HT3000 and C3X line of projectors occupying all four of the best-selling sales positions by volume for the third quarter of 2006, according to market analyst Quixel Research's findings. The company's C3X and C3X LITE projectors, which have held the #1 and #2 sales positions for the entire year to date, are joined in the top five by the C3X LINK and the newly-introduced HT3000 1080p model.



SIM2 continues to win prestigious awards for Industries bests

SIM2'S products are once again honored with the Chicago Athenaeum Museum Award

We are pleased to announce that in the last quarter of 2006 we have further widened the already already impressive list of awards with the following new entries:

C3X LINK: EXCITE Award by the Custom Retailer Magazine, USA

C3X: High Impact Product Award by CE PRO Magazine, USA

HT3000: Home Theater Projector Excellence Award by , China

D35: DLP Projector of 2006 Award by What Video and High Definition TV Magazine, UK

D35: Best Buy Award by Home Cinema Choice Magazine, UK

D35: 2007 High-end Projector Award by

In addition, the **Grand Cinema C3X** projector and **HTL40** LCD display have won the prestigious **GOOD DESIGN** Award by the Chicago Athenaeum Museum of Architecture & Design

The GOOD DESIGN Award was first organized in Chicago in 1950 and bestow international recognition upon the world's most prominent designers and manufacturers for advancing new, visionary, and innovative product concepts, invention and originality, and for stretching the envelope beyond what is considered basic product and consumer design. And, it remains the oldest and most important design competition worldwide.

The Grand Cinema C3X projector and HTL40 LCD display will be viewable in the Museum's Permanent Design Collection.



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Upcoming Tradeshows and Events

Don't miss out! Come and talk with our expertise at our next event! They will be pleased to demo our latest products.



2007 International CES

8-11 January 2006
Suite H2910, Hilton Hotel, Las Vegas, Nevada, USA



Northern Sound and Vision Show 2007

27-28 January 2007
The Amsterdam Suite, Radisson SAS Manchester Airport, Manchester (UK)



Integrated Systems Europe

30 January - 1 February 2007
Booth R100A - Hall 4, Amsterdam RAI, The Netherlands

We welcome your comments and questions. We also welcome story submissions, updates and information about installations and tradeshows. Address correspondence to:

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