

PR Contact:

Corinna Lohse

Tel.: +43 (0) 6246-880-281

Email: Corinna_Lohse@sonydadc.com

ATI to develop new business concept with Sony DADC's n-CD

ATI signs n-CD contract with Sony DADC for global product release, creating more transparency in disc usage and cutting their misuse through identification technology

Salzburg, Austria, May 10, 2004 – Sony DADC, solution and technology provider to the entertainment industries and world's largest producer of pre-recorded discs, signed its first n-CD contract in North America with ATI Technologies Inc. (TSX: ATY, NASDAQ: ATYT). The Canadian-based leader in innovative 3D graphics and digital media solutions design, chose Sony DADC for global competence and cutting-edge technology.

ATI is now using n-CD technology for licensed computer game discs which the chip manufacturer adds to its retail products as a promotional item. n-CDs unique identification number and online tracking options lets ATI determine exactly when and how many of their customers have taken advantage of their promotional offer. Never before could the actual usage and associated royalties of ATI's promotional computer game be determined precisely. This new transparency allows the exact billing of users instead of sold discs in total, saving ATI the payment of royalties for unused games.

n-CD's electronic CD-key function also enables ATI to cut down on printing costs of serialisation codes on stickers which were traditionally placed on the game box. This concept also ensures that codes are safe. The widespread method of unauthorised access to codes in stores is coming to an end as they aren't visible anymore. ATI's n-CDs Secure Web Link will contain the serialisation number for unlocking the game. Each n-CD disc is assigned a unique identification number making it impossible for the serialisation code to be accessed from a copy of the CD. The n-CD identification technology ensures that these premium features are exclusively reserved for only one user of an original disc. Owners of an original disc will then also enjoy the convenience of never forgetting or losing the code as it is always accessible via Secure Web Link with the original.

The discs are being produced at two Sony DADC facilities in Austria and Hong Kong and shipped to ATI's retail locations worldwide. "We have identified Sony DADC as the perfect solution for our global accounts," says Gilbert Christie, ATI VP of Operations. "With a global network of 10 locations and large production capacities on every continent, Sony DADC operates with a high and consistent production quality at all

plants for global releases.” As Sony DADC service partners and facilities are located in various time zones, ATI’s replication and service activities are running at all hours to guarantee a speedy process.

The n-CD solution was created by Sony DADC to add value to a traditional disc and offers protection against unauthorised copying and usage. n-CD puts content on a CD and links the disc to premium information in a way that it can only be accessed via the internet from the original disc. The protected connection is called Secure Web Link and requires the original n-CD to be inserted in the computer drive. n-CD can consist of an audio or ROM session and allows the combination of both. Optional add-ons are copy control solutions. key2audioXS™ copy control is designed specifically for the audio session and SecuROM™ offers leading protection against copying of the CD-ROM session. The technology behind the n-CD exclusivity concept is an identification number called Postscribed ID™ enabling the automated inscription of unique data which is readable by any computer drive.

With a daily capacity of 2,5 million discs Sony DADC is the world's largest provider of pre-recorded optical discs and innovative solutions, supplying a full line of high-quality products and services to the entertainment business. Services include digital asset management, authoring, editing, copy control, graphic design, mastering, replication, packaging, distribution and fulfilment for CD-Audio, CD-ROM, DVD, Super Audio CD, Recordable and PlayStation™ discs. A network of sales agents provides sales support in all European countries and in the Americas. For further questions, please contact the n-CD Product Team at Sony DADC at +43 6246-880-555 or via email at n-CD@sonydadc.com and visit us at www.sonydadc.com.

About ATI

ATI Technologies Inc. is a world leader in the design and manufacture of innovative 3D graphics and digital media silicon solutions. An industry pioneer since 1985, ATI is the world’s foremost visual processor unit (VPU) provider and is dedicated to deliver leading-edge performance solutions for the full range of PC and Mac desktop and notebook platforms, workstation, set-top and digital television, game console and handheld markets. With 2003 revenues in excess of U.S. \$1.3 billion, ATI has more than 2,500 employees in the Americas, Europe and Asia. ATI common shares trade on NASDAQ (ATYT) and the Toronto Stock Exchange (ATY). For more information, please visit www.ati.com

###