The glossary contains explanations of certain terms and definitions used in this prospectus in connection with the Group and its business. The terms and their meanings may not correspond to standard industry meaning or usage of these terms.

Organisational Terms

"SIGGRAPH"	Special Interest Group on Computer Graphics, an organisation dedicated to the generation and dissemination of information on CG and interactive techniques
"SMPTE"	Society of Motion Pictures and Television Engineers, based in the US
Technical Terms	
"10-bit"	a sampling rate of 2 to the power 10 (i.e. 1024 times) from the film material or real live events when that is transformed into digital data
"2D"	2 dimensional
"24fps"	24 frames per second; frames per second measures how many frames a film is recorded
"3D"	3 dimensional
"3ds max"	an animation modeling and rendering solution for film, television, games and design visualization developed by Discreet
"4:2:0", "4:2:2" Digital video	digital format of video signal can be sampled at either 4:2:0 or 4:2:2 sampling. The digital video signal has three components, they are the luminance (Y), a color value consisting of the luminance deducted from the color red (R-Y) and the color value of the luminance deducted from the color blue (B-Y). These three components, Y, R-Y and B-Y are also known as "YUV". During the digitizing process, the three parameters of the component video signal are assigned a numeric sampling value. Groups of four video pixels within each of the three components are looked at and samples are taken for recording. With a 4:2:2 sampled video signal, all four of the luminance pixels are sampled, two of the R-Y pixels are sampled and two B-Y pixels are sampled. This gives a 4:2:2 sampled signal and is sampled four times out of four, but only one pixel is sampled from each of the R-Y and B-Y. This lower sampling rate of the color components will result in less color information being recorded. The 4:2:0 is the sampling rate used with the consumer digital video format, along with digital video

equipment

camera and DVCPRO. The 4:2:2 sampling rate is used with professional

"AC-3"	AC-3 is an audio data compression technology capable of encoding a variety of audio channel formats into a single low-rate bitstream. The AC-3 bitstream specification permits sample rates of either 48 kHz, 44.1 kHz, or 32 kHz, and supports data rates ranging from 32 kbps (kilobits-per-second) to 640 kbps. AC-3 is developed by Dolby and has been adopted by the Advanced Television Systems Committee (ATSC) as the audio service standard for HDTV in the US and DVD
"AFM"	American Film Market, an annual marketplace for the global motion picture industry
"animation"	a simulation of movement created by displaying a series of pictures, or frames, of which cartoons on television is one example
"CG"	computer graphics
"compression"	the temporary coding of data in a way that saves storage space or transmission time
"cryptography"	the technology of encoding information so that it can only be read by authorized individuals
"D5"	a standard for magnetic tapes that are used to record and playback of HDTV images. D5 video tape recorder is made by Panasonic
"DC28"	a standard committee composed of members from SMPTE tasked with developing standards for digital cinema
"decoder"	hardware or software that translates a coded signal back to its original form. Decoders are used to enable a computer to recognize instructions and addresses
"decrypt" or "decryption"	to decode encrypted data so that it becomes readable
"demodulator"	a peripheral device that connects to a satellite to for demodulating analog signals back into digital signals to be read by the computer
"digital content"	information stored in binary form that a computer can understand. Text, graphics and sound are all stored as 1s and 0s in a computer
"DLP"	the digital-light-processor, which is part of the projection system developed by TI. It has been widely used in digital-cinema features. DLP now displays resolutions up to 1280 x 1024. It is also known as DMD for digital micro- mirror device
"DVD"	digital versatile disc or digital video disc
"encrypt" or "encryption"	putting data into a secret code so that it will become unreadable except by authorized users

"ETC"	the Entertainment Technology Center, located at the University of Southern California in Los Angeles, which operates the digital-cinema lab, a test facility for digital cinema technologies
"Firewire"	a serial bus developed by Apple Computer and Texas Instruments (IEEE 1394) which can connect up to 63 devices in a tree-like daisy chain configuration, and transmit data at up to 400 megabits per second. It supports plug and play and peer-to-peer communication between peripheral devices
"gigabyte"	a unit of computer memory or data storage capacity equivalent to 1024^3 or $1,073,741,824$ bytes
"HDTV"	high-definition television, which refers to video images that have greater resolution than the legacy US NTSC (525 lines) and European PAL (625 lines) standards
"JPEG 2000"	Joint Pictures Expert Group digital video compression standard published in the year 2000
"LTC"	Longitudinal Time Code: SMPTE time code standard usually recorded onto the linear audio track of a VCR or audio tape machine
"MAYA"	a 3D animation and effects software developed by Alias Wavefront, a division of Silicon Graphics Limited
"MPEG2"	a standard for the generic coding of Moving Pictures and Associated Audio sponsored by ITU-T and ISO/IEC JTC1/SC29 WG11, commonly referred to as Motion Pictures Expert Group. MPEG-1 (ISO/IEC 11172) was the first MPEG standard defining the compression format for real-time audio and video. The video resolution is typically 352 x 240 or 352 x 288, although higher resolutions are supported. The maximum bitrate is about 1.5 Mbps. MPEG-1 is used for the VCD format. MPEG-2 (ISO/IEC 13818) extends the MPEG-1 standard to cover a wider range of applications. Higher video resolutions are supported to allow for HDTV applications, both progressive and interlaced video are supported. MPEG-2 is used for the DVD — Video and SVCD formats, and also forms the basis for digital SDTV and HDTV
"OEM"	original equipment manufacturing, under which products are manufactured in whole or in part in accordance with a customer's specifications and are marked under the customer's own brand name
"PCM"	Pulse-Code Modulation: This is the form of the digital audio signal used for both CD and laserdisc. PCM is uncompressed audio stream and it is a serial data stream that is coded for transmission or recording. PCM is also used for many other types of serial data communications
"pixel"	a single dot, which is one of the tiny squares that one can see if one looks very closely at one's monitor or television. These squares make up the pictures on the monitor or television and are the smallest units of colour that a monitor or a television can display

"rendering"	the drawing of a real-world object as it actually appears and often refers to the process of translating high-level database descriptions to bitmap images comprising a matrix of pixels or dots
"rendering farm"	parallel network of computers for fast data processing in the rendering process
"ROM"	read only memory
"Roncarelli Report 2001"	the Roncarelli Report on the Computer Animation Industry - 2001
"ShoWest"	an annual convention for the motion picture industry with delegates from more than 50 different countries in attendance each year
"SMPTE"	Society for Motion Picture and TV Engineers, based in White Plains, New York, a standards organization for TV production, which developed SMPTE time code for audio and video
"subtitles"	text that is added below or over a picture that usually reflects what is being said, possibly in another language. Open subtitles are transmitted as video that already has the subtitles present
"telecine"	an electronic device, also known as a film chain, designed to transfer a film image to a video image in real time
"texture"	2D bitmap pasted onto objects or polygons to add realism
"time code"	a digital code number recorded onto a video tape for editing purposes. When decoded, the time code identifies every frame of a videotape using digits read hours:minutes:seconds and frames. Each individual video frame is assigned a unique address, a must for accurate editing. The three time code systems used for professional video are VITC and LTC
"VCD"	video compact disc
"VITC"	Vertical Interval Time Code: A popular method for recording time code onto videotape. A time code address for each video frame is inserted in the vertical interval (the vertical blanking retrace period) of the video signal, where it is invisible on-screen yet easily retrieved, even when a helical scanning VCR is in pause mode. The most common form of VITC is SMPTE-VITC
"VTR"	video tape recording