



Leading Israeli Broadcaster On Air with Dolby Digital 5.1

Kfar Saba, Israel, 28 May 2005--Dolby Laboratories (DLB: NYSE) announced today that the innovative Israeli satellite channel, The DVD Box, has begun airing films in Dolby® Digital 5.1. The channel, which is already broadcasting in wide-screen (16:9) format, belongs to the yes TV network. Since its launch five years ago, yes has been broadcasting in Dolby analogue sound on all its channels, but The DVD Box channel is the first to bring Dolby Digital 5.1 surround sound to nearly 500,000 TV subscribers in Israel.

With high-quality broadcasting at the forefront of the network's ethos, yes TV is hoping that these broadcasts in Dolby Digital 5.1 will be well received and help drive subscriber growth while maintaining low turnover rates.

"yes is well known for its high-quality broadcasting, therefore Dolby Digital was a natural step," commented Itzhak Elyakim, VP Engineering and CTO, yes TV. "We pride ourselves on being the pioneers in shaping the broadcast entertainment experience in Israel."

Jason Power, Market Development Manager, Dolby Laboratories, commented, "Audiences are demanding more and more digital surround sound programming from radio and television to match the experience they receive from DVDs and home theatre systems. We are delighted that Dolby Digital has been selected as a core part of The DVD Box service."

Subscribers are able to pick out Dolby Digital films from The DVD Box movie schedule. Films aired to date include The Day After Tomorrow, Troy, Harry Potter and the Prisoner of Azkaban, and Matrix: Revolutions.

Dolby has already worked with several TV channels across Europe to bring Dolby Digital 5.1 to viewers, including Sky in the UK; ProSieben, Premiere, Sat1, and ZDF in Germany; Canal Plus in France; C More (previously Canal Plus) in the Nordic countries; SVT in Sweden; FastWeb in Italy; ORF in Austria; and TVP and TVN in Poland.

About Dolby Laboratories

Dolby Laboratories (NYSE: DLB) develops and delivers products and technologies that make the entertainment experience more realistic and immersive. For four decades, Dolby has been at the forefront of defining high-quality audio and surround sound in cinema, broadcast, home audio systems, cars, DVDs, headphones, games, televisions, and personal computers. Based in San Francisco with European headquarters in England, the company has entertainment industry liaison offices in New York and Los Angeles, and licensing liaison offices in London, Shanghai, Beijing, Hong Kong, and Tokyo. For more information about Dolby Laboratories or Dolby technologies, please visit www.dolby.com.

About yes Satellite TV

yes Satellite TV is a leading multichannel TV platform in Israel that provides its viewers the ultimate experience. yes is the pioneer and the leader in shaping the entertainment and leisure experience. yes is offering a large quality selection of relevant channels to meet a variety of tastes, and has introduced a new standard of high-quality audio and video broadcasts that have never been seen before in Israel. yes launched its broadcasting in July 2000. www.yes.co.il

Certain statements in this press release, including statements regarding the performance and capabilities of Dolby Digital for broadcasting, the potential benefits that broadcasters such as the yes TV network and audiences may derive from broadcasts using Dolby Digital technologies such as these technologies potentially helping to drive subscriber growth and lower turnover rates, and the anticipated growth of markets utilizing this technology, are "forward looking statements" that are subject to risks and uncertainties. These risks and uncertainties, which could cause the forward looking statements to differ materially from anticipated results, include, without limitation, risks associated with building consumer demand for surround sound broadcasts in general and Dolby Digital broadcasts in particular; competition risks for broadcast sound technologies; rapid changes in broadcast sound technologies; risks associated with having Dolby Digital adopted as mandated or optional standards for broadcasts; and other risks detailed in Dolby's Securities and Exchange Commission filings and reports, including its quarterly report on Form 10-Q filed with the SEC for the quarter ended April 1, 2005. Dolby disclaims any obligation to update information contained in these forward-looking statements whether as a result of new information, future events, or otherwise.

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