



## **DIRECTV Debuts New Hardware Strategy at CES 2004**

### **Shift in DIRECTV's Hardware and Distribution Strategy Offers a Simple Solution for Both Customers and Retailers**

**LAS VEGAS, Jan. 8, 2004** – DIRECTV Inc., provider of the nation's leading digital multichannel television service, announced today a new strategy for the development and distribution of DIRECTV® set-top boxes. This new strategy will offer DIRECTV customers a simple and more user-friendly DIRECTV experience, while also delivering a more efficient supply-chain process to its retail partners.

Beginning mid-2004, DIRECTV will assume complete responsibility for the sale and distribution to retail of all DIRECTV set-top boxes used to receive DIRECTV® programming and services. Over the course of the year, authorized manufacturers of DIRECTV hardware will migrate to a new standardized hardware specification, which will ensure that all DIRECTV customers enjoy a consistent user interface and experience. Similarly, the various consumer electronics brands currently associated with DIRECTV equipment will be replaced by the DIRECTV brand.

“DIRECTV has led the digital television revolution for more than nine years, and we are now taking aggressive steps to strengthen the promise of the DIRECTV brand for all of our customers,” said Steve Cox, executive vice president, Sales Distribution and Marketing, DIRECTV, Inc. “We believe that this new hardware strategy will not only offer a significantly simplified solution for DIRECTV customers, but it will also deliver a more effective and seamless supply-chain process for the vast network of DIRECTV retailers.”

The standardization of all new DIRECTV hardware and brand consistency is intended to simplify the customer decision-making process and DIRECTV selling process while eliminating confusion and enhancing overall customer satisfaction.

This new strategy represents a significant change in DIRECTV's relationship with its retailers and manufacturers. With DIRECTV's new role as purchaser and distributor of hardware for all of its retail partners, DIRECTV retailers will enjoy a single point of contact for all of their DIRECTV needs.

As part of this new hardware strategy, DIRECTV will continue to lead the digital television market with affordable whole-house solutions and continued aggressive marketing of the DIRECTV® DVR with TiVo®. In addition, this new strategy will support DIRECTV's expanding position as a leading provider of high-definition hardware and programming for the rapidly growing HD market, including the launch of the award-winning DIRECTV® HD DVR in the first quarter of this year.

DIRECTV is the nation's leading digital multichannel television service provider with more than 12.2 million customers. DIRECTV and the Cyclone Design logo are registered trademarks of DIRECTV, Inc., a unit of Hughes Electronics Corp. (NYSE: HS). Hughes is a world-leading provider of digital multichannel television entertainment, broadband satellite networks and services, and global video and data broadcasting. Hughes is 34 percent owned by Fox Entertainment Group, which is approximately 82 percent owned by News Corporation Ltd.

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