

Sonic Solutions

Positioned for Growth

Dave Habiger, Chief Executive Officer and President

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Safe Harbor

Statements contained in this presentation that are not statements of historical fact are those that could be deemed “forward-looking statements” and are made pursuant to the safe-harbor provisions of the private securities litigation reform act of 1995. These can include statements regarding growth and financial performance, financial outlook, strategic and operational plans, target markets, strategic priorities, potential benefits of Sonic's partnerships, Sonic's ability to strengthen relationships with end users, the opportunities and benefits achieved through the evolution of and opportunities for Sonic arising from next generation high definition formats, and the download and burn business model. All forward-looking statements are based on current information and expectations and are inherently subject to change. Actual results may differ materially and adversely to those in our forward-looking statements due to various factors.

Digital Media is Everywhere



Sonic's Mission is to enable the creation, distribution,
and enjoyment of **digital media**
from **Hollywood to Home**

SONIC

Consumer Content

Premium

Personal



The Content Value Chain

Premium



Personal



SONIC

The Sonic Ecosystem

Premium



SCENARIST
Professional Products

This box features the SCENARIST logo in blue and black, with the text 'Professional Products' below it. The background is filled with various studio logos including Universal, Warner Home Video, 20th Century Fox, Paramount Pictures, and Sony Pictures.



flixi **CINEMANOW**
Premium Content

This box contains the logos for flixi and CINEMANOW. The background shows a CD and a DVD disc.



CINEPLAYER
CE & PC Playback

This box features the CINEPLAYER logo and a background image of a television set, a laptop, and a remote control.

Personal



roxio
ONLINE
Sharing and Enjoyment

This box displays the roxio ONLINE logo in red, with icons for social media and a person. The background includes a CD and a DVD disc.



roxio creator
2009
Editing and Managing

This box shows the roxio creator 2009 logo and a background image of a smartphone, a laptop, and a CD.



AUTHORSRIPT
PC & CE Content Creation

This box features the AUTHORSRIPT logo in red and a background image of a camera, a laptop, and a CD.

SONIC

Growth Drivers



Leading the transition to Blu-ray



Enabling distribution of premium content



Pioneering DVD on demand



Monetizing online use of digital media



Enabling the creation and consumption
of the new Hollywood format

Blu-ray vs. DVD



	<u>1997</u> (DVD Year 1)	<u>1999</u> (DVD Year 3)	<u>2008E</u> (BD Year 1)
Standard Def DVD Titles	1,000	5,000	80,000+
Blu-ray Disc Titles	-	-	1,000
DVD Stand alone players	0.3 million	3.6 million	240 million
BD Stand alone players	-	-	5+ million
DVD software sales	\$200 million	\$2 billion	\$16 billion
BD software sales	-	-	\$500 million

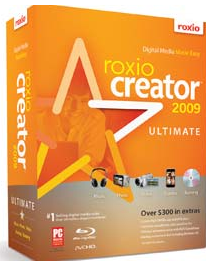
Sources: DEG, DVD Demystified, Understanding & Solutions, Video Business and company estimates.

Powering the Blu-ray Value Chain



Retooling Hollywood
and Corporate video

Powering 3rd party
authoring and playback



Roxio Consumer Software

Licensing key patents

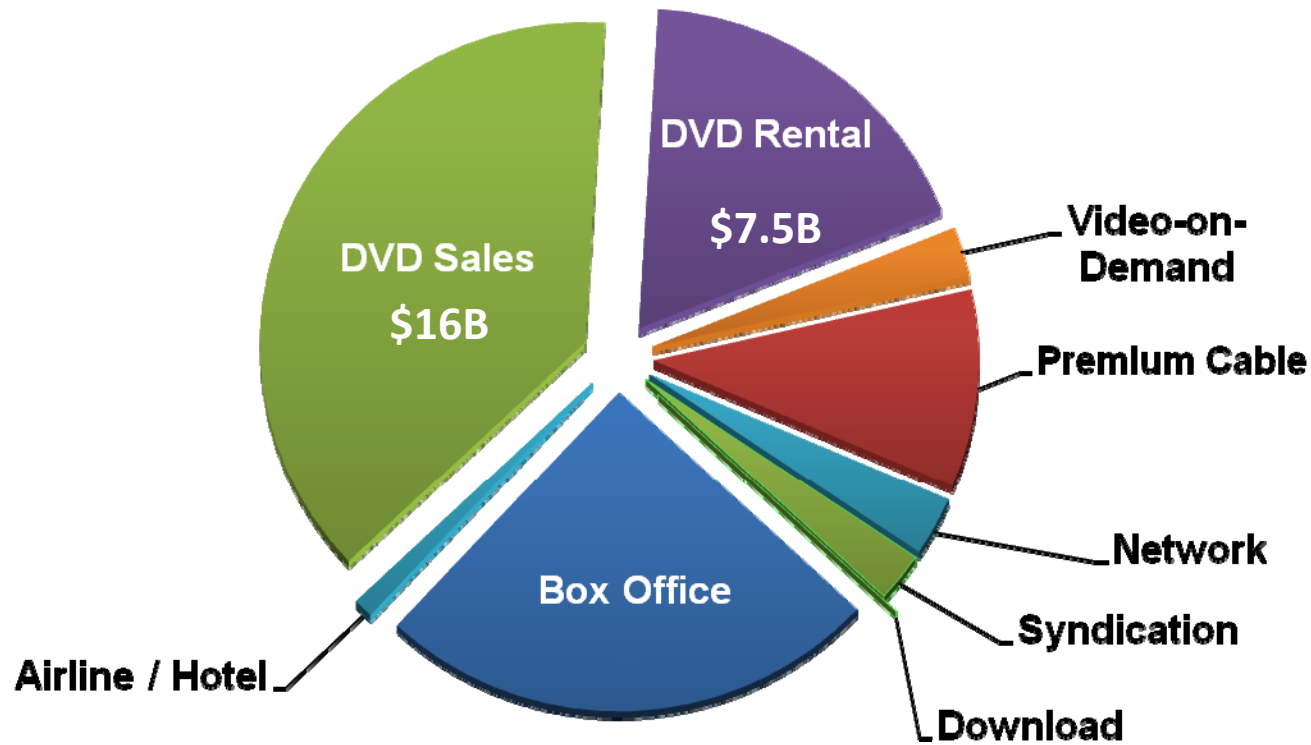


SONIC



Creating new content
Distribution channels

Still DVD Fuels Entertainment Industry



Sources: MPAA, CEA, DEG August 2008

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CinemaNow & Qflix

Benefits of digital distribution PLUS
portability, playability and distribution rights of DVD



FOR HOME ▾

FOR OFFICE ▾

FOR DATA CENTER ▾

IRON MAN

**Personalize select Dell systems
and get Iron Man included**

Starting at **\$649**
PRELOAD AND GO ▶

Limited time offer. Bonus content included.

Iron Man, The Movie © 2008 MWL Film Finance, LLC Iron Man, the Character TM & © 2008 Marvel Entertainment. All Rights Reserved.

MARVEL

◀ 1 2 3 4 ▶

Qflix Distribution Channels

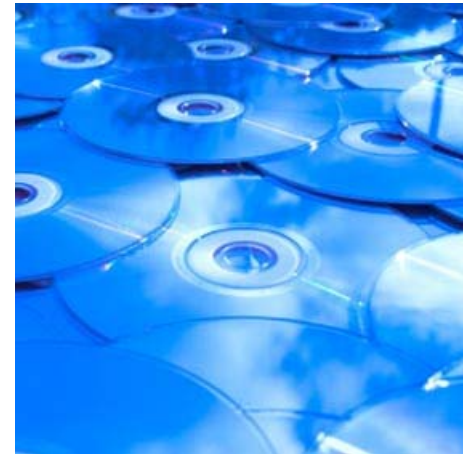
Home



Retail












Manufacturing



Qflix Revenue Generation

Revenue Opportunity

	Home	Retail	MOD
Burn fee	 ✓	 ✓	 ✓
Optical media royalty (per disc)	 ✓	 ✓	 ✓
Optical drive royalty (per drive)	 ✓	 ✓	 ✓

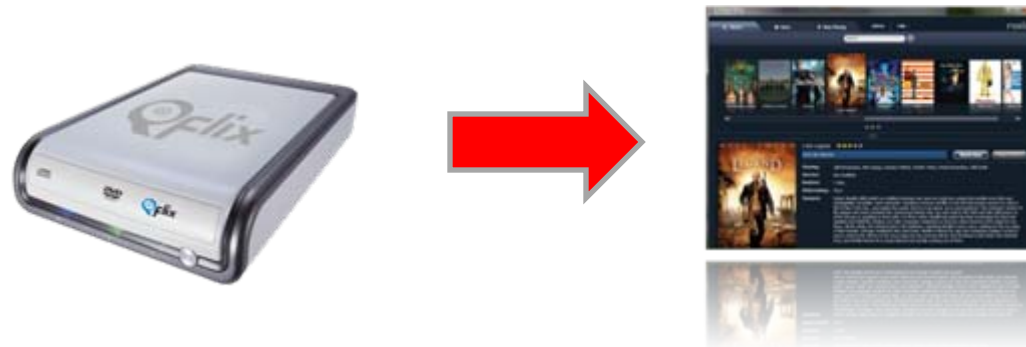


PC Strategy

Use premium content plus compatibility of DVD to drive PC OEMs to embed CinemaNow and Qflix technology

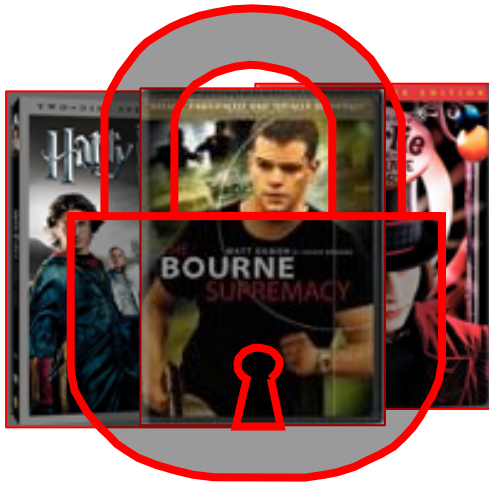


Use Qflix hardware to drive preference for CinemaNow



Transitioning to Online Distribution

3-4 DVD devices in every home



Copy protection



Online access



No additional devices
or formats required

Watch Anywhere





Monetizing usage of digital media as
it shifts to the web

The Integrated Content Solution



SONIC

Private Content: PhotoShow



Personal Content: Mobile



Sonic is the Leading Provider of Digital Media Software



Leading the transition to Blu-ray



Enabling distribution of premium content



Pioneering DVD on demand



Monetizing online use of digital media