

Plantronics and Altec Lansing predicts quality audio to drive the next revenue peak

Sounding out the next generation revenue stream for mobile phone carriers: Digital media consumption via mobile phone expected to triple by 2010

IFA, Berlin - 27th August 2008 - Plantronics and Altec Lansing – developers of leading audio products – said today that convergence is now firmly focused on the playback market. Consumer expectation knows no bounds, and is now demanding a high quality of digital audio to complement the plethora of emerging, sophisticated technologies available via their mobile phones.

Further, the streaming of video to mobiles has been opened up largely by the development of the LG and iPhone models. Now that the 'Big Screen' issue has been addressed, the focus is on delivering complementary sound sophistication.

The message is clear:

Digital Music + Better Quality Playback = More Consumption = Higher Revenue

Mobile phones with music capabilities are expected to grow 20% by 2010. In order to deliver the experience successfully, the headset market projection is expected to double from 2008, reaching 14.2 million Bluetooth headset sales in 2010 according to Strategy Analytics. In 2007, the sales of music phones reached 575.7 million worldwide and a further 116 million were equipped with A2DP stereo capabilities. Mobile music phone sales for 2010 are predicted to reach 886.7million with a further 544 million ready to deliver a stereo experience.

"The ability to enjoy quality sound has now become one of the most important attributes when selecting a device over which to consume the vast amounts of media headed for mobile phones", Luc Ackaert, European Head of Consumer products at Plantronics and Altec Lansing, comments. "Music phone users have unprecedented choice, from docking-powered speaker systems like the T612 from Altec Lansing designed for the iPhone to a Bluetooth headset that quickly converts into stereo headphones, such as the Voyager 855 from Plantronics".

As technologies evolve faster and faster with each decade, the companies behind them are in a constant race to keep up and offer the best products to compete for market share. Micro audio development is under the microscope more than ever before. Penetration potential of global handset technologies has been predicted thus:

2007	Technology / usage	2011
Less than 3%	Mobile TV	13%
27%	FM Radio	50%
26%	Streaming Video	75%
41%	Music consumption	85%

Source: Strategy Analytics

The two highest growth areas are in the consumption of music and streaming video, both of which rely on screen and audio quality in order to succeed.

"There is a huge opportunity for carriers to start earning revenue from selling high quality playback speakers and headsets," said Geert De Vos, EMEA Mobile Marketing Manager for Plantronics and Altec Lansing. "If consumers can not listen to their music or media in high quality they will not adopt mobile music, leading to lost data revenue."

Global sales for the consumption of mobile music have increased by 70% and are on course to almost double by the end of 2008. Sales for digital music overall is expected to be 40% by 2011. Reports from RH Associates and eMarketer state that mobile phone downloads will increase from \$1.7 billion in 2007, to 6.2 billion in 2010.

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About Plantronics

In 1969, a Plantronics headset carried the historic first words from the moon: "That's one small step for man, one giant leap for mankind." Since then, Plantronics has become the headset of choice for mission-critical applications such as air traffic control, emergency dispatch and the New York Stock Exchange. Today, this history of Sound Innovation™ is the basis for every product we build for the office, contact center, personal mobile, entertainment and residential markets. The Plantronics family of brands includes Plantronics, Altec Lansing, and Clarity. For more information, go to <http://www.plantronics.com>

About Altec Lansing

Altec Lansing has been designing and manufacturing high-quality consumer and professional speaker systems for more than 70 years. A market leader in digital audio, Altec Lansing makes a wide range of audio systems for the home and office; a line of headsets and headphones for personal listening; and the popular line of inMotion speaker systems for portable digital players. Altec Lansing, a division of Plantronics, Inc. (NYSE: PLT), is headquartered in Milford, PA.

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