

## **FOR IMMEDIATE RELEASE**

### **BROADCAST INTERNATIONAL ANNOUNCES SUCCESSFUL PROOF-OF-CONCEPT INSTALLATIONS**

**Salt Lake City, January 20, 2009** – Broadcast International, Inc. (OTC: BCST “BI”) announced today that its patented video compression software has been performing successfully since early December 2008 at customer locations in Europe as well as partner labs in the United States, Asia and Europe.

“With these field sites operating so well, we will soon be ready to install the CE1000 IBM platform systems for customers seeking a competitively priced, software-based, encoding system that is currently delivering a real time HD video stream at 6mgs”, said Rod Tiede, president and CEO of Broadcast International. “In addition to its ability to greatly reduce bandwidth requirements, the CE1000 is ‘future-proof’ because the encoding system is software-based as opposed to being a hardware appliance. With our encoding software, upgrades and improvements can be loaded onto the hardware platform without the need to purchase new equipment, thus providing a dramatic cost savings to customers.”

#### **Encoding at the Lowest Bandwidth**

Broadcast International has patented the unique CodecSys approach of using multiple expert codecs rather than single, general-purpose compression codecs. By automatically switching ‘on the fly’ between specialized codecs, choosing the best one for a particular frame or video sequence, CodecSys is able to optimize the capabilities of each codec to reduce video bandwidth requirements more than 80% for HD video over all types of delivery platforms including broadcast, cable, IPTV, wireless and the Internet. The increased power of current processors accelerates the CodecSys codec-switching process, providing a platform for nearly unlimited processing power and video compression capabilities.

#### **Upgradeable, Scaleable, “Future-Proof”**

The newly introduced CE1000 offers the industry’s highest level of compression and also provides a “future-proof” solution for customers in the dynamic video market. Broadcast International’s CodecSys video compression software is based on an open software architecture that can accommodate new standards, such as H.264, as well as new specialized codecs as they come onto the market.

With CodecSys, codecs can be upgraded and added through simple, cost-effective software downloads while other commercial solutions require costly, full hardware replacement.

#### **About Broadcast International**

Broadcast International is a leading provider of video-powered broadcast solutions, including IP, and digital satellite, Internet streaming and other types of wired/wireless network distribution. BI’s patented CodecSys software is a breakthrough, artificial intelligence-based video compression technology that cuts video bandwidth requirements more than 80% over satellite, cable, IP and wireless

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networks. By slashing bandwidth needs, CodecSys enables a new generation of applications such as streaming video to cell phones, and offers unprecedented price/ performance benefits for existing applications such as HD video.

Broadcast International is a public company (OTC BB: BCST) headquartered in Salt Lake City UT. For more information go to [www.brin.com](http://www.brin.com) and [www.codecsys.com](http://www.codecsys.com).

#### *Forward-Looking Statements*

All statements in this news release that are not based on historical fact are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and the provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (which Sections were adopted as part of the Private Securities Litigation Reform Act of 1995). While management has based any forward-looking statements contained herein on its current expectations, the information on which such expectations were based may change. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of risks, uncertainties, and other factors, many of which are outside of our control, that could cause actual results to materially differ from such statements. Such risks, uncertainties, and other factors include, but are not necessarily limited to, those set forth under the caption "Additional Factors That May Affect Our Business" in the Company's most recent Form 10-K and 10-Q filings, and amendments thereto. In addition, we operate in a highly competitive and rapidly changing environment, and new risks may arise. Accordingly, investors should not place any reliance on forward-looking statements as a prediction of actual results. We disclaim any intention to, and undertake no obligation to, update or revise any forward-looking statement.

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