

NEWS

For Immediate Release

ESS TECHNOLOGY, INC. ACQUIRES LICENSE FOR MIPS32™ 4KC™ SYNTHESIZEABLE CORE FROM MIPS TECHNOLOGIES

FREMONT, California – December 13, 1999 – ESS Technology, Inc. (NASDAQ: ESST) announced today that it has acquired a license from MIPS Technologies for the MIPS32™ 4KC™ synthesizable processor core. ESS Technology, Inc. will integrate the core into high performance system-on-chip (SOC) solutions for the digital consumer appliance market.

"ESS Technology's roadmap of silicon solutions for the Internet, e-Commerce, digital video, education, entertainment and other related applications require high-performance and high integration," points out Fred Chan, ESS's Chairman of the Board. "The power of MIPS architecture and the flexibility of MIPS Technologies' IP business model allows ESS to develop system-on-chip ICs that will power the next generation of consumer entertainment appliances."

"MIPS Technologies' 32- and 64-bit processor IP has become the preferred choice of OEMs developing advanced digital entertainment devices such as digital and Internet-enabled set-top boxes, game consoles and personal video recorders," says Brian Knowles, Vice President of Marketing at MIPS Technologies. With ESS as a licensing partner we have a well-positioned silicon supplier who can help proliferate the MIPS architecture into the digital consumer and Windows CE appliance marketplace."

"This license agreement contributes to the leadership of the MIPS architecture in high performance digital entertainment," points out Tony Massimini, senior analyst at Semico Research Corp. "MIPS Technologies already has a strong position with game console OEMs such as Sony. This gives them the inside track with fabless semiconductor makers supplying a wider range of digital entertainment systems."

About MIPS Technologies, Inc.

MIPS Technologies, Inc. is the world's primary architect of embedded 32- and 64-bit RISC processors. The company drives the broadest architectural alliance that is delivering 32- and 64-bit embedded RISC solutions. The company licenses its intellectual property to semiconductor manufacturing companies, ASIC developers and system OEMs. MIPS Technologies, Inc. and its licensees offer the widest range of robust scalable processors in standard, custom, semi-custom and application-specific products.

ESS Technology

ESS Technology, Inc., a leader in Internet, communications, PC audio and digital video, provides advanced products enabling the convergence of communications, computer, consumer, and Internet markets.

ESS's wholly owned subsidiary, ViAlta.com, Inc. plans to introduce advanced, user friendly products and applications for the Internet. Products will include multi-media appliances, applications and content for the Internet, which enable the user to experience new levels of entertainment and e-Commerce.

ESS, headquartered in Fremont, California, has R&D, sales, and technical support offices worldwide. ESS Technology's common stock is traded on the NASDAQ under the symbol ESST. ESS's web site address is: <http://www.esstech.com>

The matters discussed in this news release include certain forward looking statements that involve risks and uncertainties, including, not limited to, the timely availability and acceptance of the Company's new products, the impact of competitive products and pricing, the dependence on continued growth in demand for PC and consumer multimedia products, as well as the other risks detailed from time to time in the SEC reports of ESS, including the reports on Form 10-K and Form 10Q. Actual results could differ materially from those projected in the forward-looking statements.