

# news release

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MERCADOMAGICO ANNOUNCES PLAN TO INCREASE ITS ECOMMERCE PRESENCE

**San Jose, California – May 28, 2013, NeoMagic Corporation (NMGC.PK), today announced plans for its eCommerce division, MercadoMagico.com. These efforts are designed to enable MercadoMagico to strategically grow the business and increase profitably.**

The main thrust of the activities will be primarily but not necessarily restricted to the following areas:

Consumer Advertising - Consumer advertising campaigns will be launched via several consumer based channels. Although the initial thrust will target a wide audience, as results and data become available the following approaches will be reviewed and possibly modified to optimizing the targeting, frequency, timing, and ROI:

- [La Mega](#) (MEGA 97.9), a New York based, top rated Spanish adult contemporary radio syndicate playing Salsa, Merengue, and dance music. In conjunction with a live terrestrial radio campaign, La Mega will be utilizing their web presence to promote MercadoMagico by placing prominent MercadoMagico ads on their website, [lamega.com](http://lamega.com).
- Participating in Google marketing offerings.
- Extensive utilization of digital marketing technologies such as social media (Twitter, Facebook, etc), and Search Engine Optimizations SEO.

Partnering – MercadoMagico is currently working with Spanish Broadcasting Systems (SBS) to participate in a live event in New York, slated for later this year. Updates to the timing and the date of the event will be provided as more details become available.

“With the implementation of our new marketing initiatives I believe that we are now positioned for growth in traffic and online transactions. New vendors are joining [MercadoMagico.com](http://MercadoMagico.com) and by partnering with SBS we are positioning MercadoMagico brand in the minds of Hispanic

consumers in the US and abroad and allowing our vendors to reach that growing consumer market, said David Tomasello, Chairman of NeoMagic Corporation.

“We are very excited to be working with [MercadoMagico.com](http://MercadoMagico.com) and believe Mega 97.9 FM along with lamusica.com can help them obtain their goal of reaching the New York, New Jersey, and Miami Hispanic audience, said Juan Almanzar, Account Executive at WSKQ-FM *Mega 97.9*.”

For more information, please contact Investor Relations at [IR@neomagic.com](mailto:IR@neomagic.com)

### **About NeoMagic**

NeoMagic designs and delivers consumer electronic device solutions with semiconductors and software for video, television, imaging, graphics, and audio. We provide low cost, innovative chip technology for tomorrow's entertainment and communication needs. Our solutions offer low power consumption, small form-factor and high performance processing. As part of our complete system solution, we deliver a suite of middleware and sample applications for imaging, video and audio functionality, and we provide multiple operating system ports with customized drivers for our products. Our product portfolio includes semiconductor solutions known as applications processors. Our applications processors are sold under the “MiMagic” brand name with a focus on enabling high performance processor within a low power consumption environment. The Company has developed the Horizon Digital Picture Frame kit using our MiMagic 6+ application processor.

Our capabilities give our partners and their customers’ high quality answers to excite and enhance the consumer's lifestyle. For more information, visit [www.neomagic.com](http://www.neomagic.com).

In October 2012, NeoMagic entered into the e-Commerce arena with the acquisition of its MercadoMagico.com division. MercadoMagico.com is an e-Commerce platform that will target the U.S. Market with a special focus on the fast growing Hispanic and Latino community. MercadoMagico.com provides a platform where users will be able to buy and sell products from one another or buy premium electronic products directly from MercadoMagico.com.

### **About Spanish Broadcasting System**

Spanish Broadcasting System, Inc. is the largest publicly traded Hispanic-controlled media and entertainment company in the United States. SBS owns and/or operates 21 radio stations located in the top U.S. Hispanic markets of New York, Los Angeles, Miami, Chicago, San Francisco and Puerto Rico, airing the Tropical, Mexican Regional, Spanish Adult Contemporary and Urban format genres. SBS has 3 of the top 6 Spanish-language stations in the nation including the #1 Spanish station in America, WSKQ-FM in New York City (WPAT is ranked #3 and KLAX is ranked #6). The Company also owns and operates MegaTV, a television operation with over-the-air, cable and satellite distribution and affiliates throughout the U.S. and Puerto Rico. SBS also produces live concerts and events throughout the country and operates [LaMusica.com](http://LaMusica.com), a bilingual Spanish-English online site providing content related to Latin music, entertainment,

news and culture. The Company's corporate Web site can be accessed at [www.spanishbroadcasting.com](http://www.spanishbroadcasting.com).

### **Safe Harbor Statement**

*This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve significant risks and uncertainties. Such statements may include, without limitation, statements with respect to the Company's plans, objectives, projections, expectations and intentions and other statements identified by words such as "projects," "may," "could," "would," "should," "believes," "expects," "anticipates," "estimates," "intends," "plans," or similar expressions. These statements are based upon the current beliefs and expectations of the Company's management and are subject to significant risks and uncertainties, including those detailed from time-to-time in the Company's filings with the Securities and Exchange Commission, including our Form 10-K's, 10-Q and 8-K's for 2007 through the date of October 31, 2010 hereof have been made available to the Investor at [www.sec.gov](http://www.sec.gov). Information for the period ending January 30, 2011 to the present is not available through the SEC due to the cessation of the Company's required filings under the 1934 Act. Actual results, including, without limitation, the Company's ability to successfully raise capital may differ significantly from those set forth in the forward-looking statements. Forward-looking statements involve risks and uncertainties that are subject to change based on various factors (many of which are beyond the Company's control). For example, statements about our expectations in connection with financings are subject to a variety of uncertainties and are subject to change as a result of changes in circumstances that could make it difficult for us to consummate such financings on terms acceptable to the Company, or at all. The Company undertakes no obligation to update any forward-looking statements, except as provided for by law.*

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