

Gennum and Gores Equity Reach Definitive Agreement for Purchase of Hearing Instrument and Manufacturing Operations

BURLINGTON, ON – September 10, 2007 - Gennum Corporation (TSX: GND) and Sound Design Technologies, Ltd., a Gores Equity portfolio company, announced today the companies have reached a definitive agreement for the purchase of Gennum's hearing instrument products and manufacturing operations. The sale is part of Gennum's strategy to streamline its product portfolio and focus on the rising demand for analog and mixed-signal products in the video and data communications markets.

Gennum announced its intention to explore strategic alternatives for its Audio and Wireless Division and associated Manufacturing Operations in June and retained Genuity Capital Markets to assist in the strategic review. With this sale to Sound Design Technologies, backed by the Gores private equity firm, Gennum achieves another significant milestone in its goal to focus its development efforts on next-generation high-performance optical, analog and mixed signal solutions.

"Gennum has built a strong reputation for delivering world-class hearing instrument products based on our high-performance, low-power DSP technology and advanced manufacturing capabilities," said Dr. Franz Fink, President and CEO of Gennum. "With this transaction, we have reached another key milestone in our strategy to focus the company on developing and delivering innovative analog, mixed-signal and optical products to the fast growing video and data communication markets."

Gennum's hearing instrument product portfolio includes the Foundation®, Advanta™, Venture™ and Voyageur™ digital signal processing (DSP) products, which have been designed into hearing aids and assisted listening devices from a variety of top-tier OEMs in the hearing market. Sound Design Technologies will also acquire a 95,000-square-foot manufacturing facility housing 100mm wafer fabrication operations and leading-edge packaging technologies. Specifically, Sound Design Technologies will obtain Gennum's innovative thinSTAX® technology, an incredibly dense packaging and miniaturization capability critical for hearing aids and other assistive audio listening devices. Gennum's Barium Strontium Titanate (BST) capacitor technology and development team will remain with the company.

"The shift in Gennum's strategic focus has given us the opportunity to acquire a dynamic operation in a growing market with a seasoned management team and a loyal customer base," said Mike Hirano, Executive Vice President Operations, Gores Equity.

"Gennum's hearing instrument product portfolio, combined with world-class manufacturing operations and innovative thinSTAX packaging technology, provide an ideal investment opportunity. We are confident that our extensive experience in operations and management, in conjunction with the management team, as well as our ability to finance future product development and deployment, will expand the market for these advanced hearing instrument products."

The hearing instrument and manufacturing operations will remain headquartered in Burlington, Ontario. The transaction is anticipated to close in the next 6-8 weeks. Anticipated proceeds from the sale of the hearing instrument product line and the

manufacturing operations are approximately \$14 million in cash. Gennum could receive up to an additional \$1.3 million in the event certain financial milestones are achieved by these businesses. The Company expects to recognize a pre-tax loss on the transaction in the range of \$5 to \$7 million.

About Gennum

Gennum Corporation (TSX: GND) is a leading designer and manufacturer of semiconductor solutions for the global video and data communication markets. A winner of a Technical Emmy® award for advances in high definition (HD) broadcasting, Gennum's broad portfolio of products and technologies include image processors, video timing and transport products, ICs for optical transceivers and backplane interconnects. Gennum is headquartered in Burlington, Canada, and has global design, research and development and sales offices in Canada, Japan, Korea, Taiwan and the United Kingdom. www.gennum.com

About Gores Equity, LLC

The Gores acquisition groups were founded in 1987 and are a private equity group of firms, focused on acquiring controlling interests in mature and growing businesses which can benefit from the firm's operating experience and flexible capital base. The firm combines the operational expertise and detailed due diligence capabilities of a strategic buyer with the seasoned M&A team of a traditional financial buyer. Gores Equity focuses on small mid-market acquisitions. Gores has become a leading investor, primarily in the technology and telecommunications sectors, having demonstrated over time a reliable track record of creating substantial value in its portfolio companies alongside management. Gores Equity maintains offices in Los Angeles and San Diego, California and in Boulder, Colorado. For more information, please visit www.gores.com.

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