

NEWS RELEASE

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Rosetta Stone Offers Fastest Way to Learn a Language

Rosetta Stone Version 3 Personal Edition Pushes the Boundaries of Language-Learning Offerings

ARLINGTON, Va. — Aug. 28, 2007 — Learning a new language used to require tedious translation, mindless memorization and grueling grammar drills. But learners want faster, easier and more effective language programs as they increasingly intermingle with other cultures both at home and abroad. Rosetta Stone Inc., creator of the world's No.1 language-learning software, has introduced Rosetta Stone® Version 3 Personal Edition, the next generation of an interactive software program that uses technology to create an environment of complete immersion in the language — the fastest, most effective way to learn a new language. Rosetta Stone Version 3 is now available for U.S. consumers in the 10 most popular languages offered by Rosetta Stone. An additional 20 languages are available in Rosetta Stone Version 2. The Rosetta Stone product is backed by an unconditional six-month money-back guarantee for all purchases made directly from the company.

Learning new languages is growing in importance as the nation undergoes demographic shifts. For example, according to the U.S. Census¹, a language other than English is spoken in nearly 18 percent of homes, with Spanish continuing to be the non-English language most frequently spoken at home in the United States.



“Rosetta Stone offers effective, innovative language-learning software that is fast, easy-to-use and fun!” says Pamela Mulder, vice president of brand marketing. “Rosetta Stone Version 3 pushes the boundaries of language-learning offerings. Speaking a new language is something attainable for anyone.”

Millions of learners in more than 150 countries have already used Rosetta Stone to gain the confidence that comes with truly knowing a new language. In addition to its use by individual learners, Rosetta Stone is used by thousands of schools, government agencies, corporations, libraries and other institutions to teach 30 languages ranging from Spanish, French and German to Arabic, Chinese and Tagalog.

Proven Method: The Most Effective Way to Learn a New Language

Its proven method, innovative versatile instruction and clever, easy-to-use program creates an engaging learning environment. The Rosetta Stone Dynamic Immersion™ method immediately teaches users to think in a new language by connecting the new language with vivid imagery in real-life contexts to convey meaning. Through Adaptive Recall™, learners are tested on new language knowledge at optimal intervals to ensure efficient retention. The program’s Contextual Formation™ uses these patterns and lifelike simulations to provide the context learners need to produce completely new spoken or written language. The Rosetta Stone Version 3 instinctive user interface, high-quality audio, beautiful photography and state-of-the-art technology make the language-learning experience dynamic and exciting.

Learn Listening, Speaking, Reading and Writing Skills

Proprietary speech recognition technology, guided pronunciation exercises and simulated dialogues build confidence in speaking. Learners acquire reading and writing skills by associating letters and words with their new sounds and meanings. Learners become proficient in understanding the new language through exposure to native speakers and meaning derived from relevant context. Instant feedback is provided within a carefully sequenced structure to ensure learning success.

Robust Product Offering

Rosetta Stone Version 3 offers Level 1, 2 and 3 instruction in 10 languages: Arabic, English (UK), English (U.S.), French, German, Italian, Portuguese (Brazil), Russian, Spanish (Latin America), and Spanish (Spain). Prices range from \$209 (for a Level 1 CD-ROM only) to \$499 (for Level 1, 2 and 3 CD-ROM set). Learners can also order a three- or six-month online subscription. A headset microphone is included with every order.

A comprehensive product demonstration of Rosetta Stone is available online at www.RosettaStone.com and at retail kiosks located in select malls and airports throughout the United States. A complete list of kiosk locations is posted on the Rosetta Stone Web site. To obtain more information or to purchase the program, call (800) 788-0822 or visit www.RosettaStone.com.

About Rosetta Stone Inc.

Rosetta Stone Inc. is a leading provider of language-learning software. Acclaimed for the speed, power and effectiveness of its Dynamic Immersion™ method, Rosetta Stone is a revolutionary language-learning software program. While teaching 30 languages to millions of people in more than 150 countries throughout the world, Rosetta Stone software is the key to Language Learning Success™. *Inc. Magazine* has named Rosetta Stone Inc. one of the 500 fastest-growing companies in the United States, and for the fourth consecutive year Deloitte has named the company one of the fastest-growing technology companies in Virginia. Rosetta Stone was founded in 1992 on two core beliefs: that the natural way people learn languages as children remains the most successful method for learning new languages; and that interactive CD-ROM and online technology can recreate the immersion method powerfully for learners of any age. The company is based in Arlington, Va. For more information, visit www.RosettaStone.com.

-30-

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¹ U.S. Census Bureau, United States Census, 2000.