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## Direct-to-home satellite television

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### Europe

SES ASTRA, a SES GLOBAL company and the market-leading satellite operator in Europe, selected Nagravision's end-to-end turnkey conditional access solution to secure its new digital TV infrastructure for the German market to be launched in 2007. The new infrastructure will allow operators to launch value-added TV services such as pay-per-view programs and near video-on-demand as well as interactive applications.

In France, the Canal+ Group, a long-standing Kudelski Group customer with currently some 8 million subscribers, merged with TPS (1.3 million subscribers) in 2006, becoming as a result one of the largest European operators. Canal+ has some 2.5 million analog subscribers in France being migrated to digital. In 2006, the Canal+ Group was very creative from a technological point of view; a whole new range of decoders was launched including HD, hybrid satellite/DTT and hybrid analog/DTT decoders.

One of the leading Eastern European cable network and Internet service providers RCS&RDS, whose DTH DigiTV satellite services are available in Romania, Hungary, Slovakia, the Czech Republic and Serbia, signed an agreement for the upgrade of its existing Nagravision conditional access and subscriber management systems. With two million cards to be delivered in a 24 months time-frame, of which over one million in 2006, this agreement will enable RCS to fully handle its successful business expansion and broaden its DTH offering to new markets. In less than two years, the operator increased its number of subscribers to reach 1.2 million at the end of 2006.

In Poland, Cyfrowy Polsat, a long-standing Kudelski Group customer, showed very positive progress in 2006, reaching the 1 million subscriber mark. The operator launched its first Digital Video Recorders in 2006 and is expected to continue to enhance its offering with HDTV services in 2007. Cyfra+ also showed good results in 2006. Very active on the technology side, Cyfra+ launched an HD offer in 2006.

The Kudelski Group is also well positioned on the Iberian Peninsula with leading operators among its customers including R, the Galician fiber optic telecommunications operator, who selected Nagravision to supply a conditional access solution for its new digital TV services in 2006, and long-standing customers such as the Digital+ Group and Euskaltel in Spain.

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### Americas

DISH Network, EchoStar Corporation's satellite operator, passed the 13 million subscriber milestone at the end of 2006 (with, in most cases, several cards per subscriber). EchoStar launched its 10<sup>th</sup> satellite in February 2006.

The growth of DISH Network is the result of several elements:

- the success of its DVR with 4.6 million units sold in 2006;
- the launch of two new advanced DVR;
- DISH Network's ever-expanding video-on-demand platform that uses the Kudelski Group's security technology;
- the largest High-Definition lineup in the US with 30 HD channels;
- satellite-delivered broadband Internet service;
- a TV offering including more than 3 100 channels.

Bell ExpressVu, Canada's largest satellite TV operator, reached 1.8 million subscribers at the end of 2006, with also several cards per subscriber.

Telefonica selected Nagravision to provide the conditional access solution for its DTH operations in Latin America. To ensure a fast time-to-market, Telefonica selected Nagravision to be the turnkey integrator of its platform. The multi-market approach of the Nagravision solution will enable an offering targeting multiple countries throughout Latin America.

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### Asia

In Malaysia, Astro All Asia Networks, one of Asia's leading digital TV platforms, continues to expand and plans to launch advanced DVR services using the Nagravision solution. Astro's TV services include 55 channels broadcast to more than 1.93 million subscribers, representing some 35% of television homes.