

PRESS RELEASE

CANAL+ COMBATS ANALOGUE PIRACY AND SIGNS NEW CONTRACT WITH NAGRA+ FOR THE SUPPLY OF ITS CONDITIONAL ACCESS SYSTEM

Cheseaux, Switzerland – 12 December 2003 – Nagra+, supplier of security systems for analogue pay television 50%-owned by the Kudelski Group, has announced the signature of an agreement with the Canal+ Group renewing the provision by Nagra+ of the conditional access system utilized for the analogue broadcasting of its premium channel in France.

Under this agreement, Nagra+ will radically improve the security of the system whilst maintaining compatibility with subscribers' terminals.

The global security of the conditional access system will be reinforced by the integration of the latest content protection technology developed by the Kudelski Group. This improvement will be made at the level of image security, rendering the present keys inoperative.

Canal+ will replace during the year 2004 the 3 million keys held by the analogue subscribers to the pay channel by keys of the latest generation based on the most recent developments in security technologies.

The two partners have agreed to implement innovative technical and logistic solutions to replace the keys without inconvenience to the channel's subscribers. Canal+ and Nagra+ will ensure total compatibility with subscribers' analogue decoders so that the operation will be invisible to them.

Nagra+

The strategic position occupied by the Kudelski Group in the domain of digital security systems rests on its long-proven know-how in conditional access systems for analogue television. Fourteen years ago, Canal+ placed its confidence in a young Swiss firm that offered the first content protection technologies. This choice, which contributed to the success of Canal+, led to the formation in 1992 of a joint company Nagra+. It was also the springboard that enabled the Kudelski Group to become today's world leader in conditional access technologies.

Nagra+ today remains the world's number one supplier of analogue television systems. The company occupies a particularly strong position in Europe. Its conditional access systems are used by Canal+ operators in France, Spain and Poland, Mediaoverseas (France) and Cine5 (Turkey).

Nagra+ is a company of the Kudelski Group (SWX "KUD") with headquarters in Switzerland. With Nagravision, world leader in conditional access systems for digital television, and Nagra+, the Kudelski Group technologies are being used by major operators in the world representing 35 million subscribers.

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