

Press Release

KUDELSKI GROUP ACQUIRES EDSI

- Leading provider of secure smartcard solutions
- Further strengthening the Group's core business
- Specific security evaluation knowhow added

Cheseaux, Switzerland – March 14th, 2008 – The Kudelski Group (SWX Swiss Exchange: KUD) today announces the acquisition of EDSI, a leading provider of secure smartcard solutions for Pay TV and banking applications. EDSI is located in France. It was established in 1990 and currently employs about 30 people.

EDSI has an R&D center specialized in the development of high security software solutions for Digital TV, mobile phone and banking applications. In addition to the R&D competences EDSI has a security evaluation and testing laboratory for smartcard solutions.

The acquisition will further strengthen the Group's total mastery of every stage of smartcard software development, from design to security evaluation. EDSI's specialized R&D teams will be a solid complement to the Group's teams in the core business of controlled access.

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About the Kudelski Group

The Kudelski Group (SWX: KUD.VX) is a world leader in digital security and convergent media solutions for the delivery of digital and interactive content. Its technologies are used in a wide range of services and applications requiring access control and rights management to secure the revenue of content owners and service providers for digital television and interactive applications across broadcast, broadband and mobile delivery networks. The Kudelski Group is also a world technology leader in the area of access control and management of people or vehicles to sites and events. It additionally offers professional recorders and high-end Hi-Fi products. The Kudelski Group is headquartered in Cheseaux-sur-Lausanne, Switzerland. Please visit www.nagra.com for more information.