



WALT DISNEY Television International



WALT DISNEY TELEVISION INTERNATIONAL AND KUDELSKI GROUP TO DEVELOP PUSH VOD AND PVR SERVICE OFFERING

London and Cheseaux (Switzerland), August 31st, 2005. Walt Disney Television International (WDTV-I) Ventures & Business Development Group and the Kudelski Group have announced a joint venture to develop and market 'turnkey' Push Video-On-Demand (VOD) and Digital Video Recorder (DVR) services. This Push VOD solution is designed to run on standard satellite, cable, terrestrial and IP Digital Video Recorder hardware platforms, and will be made available to digital television operators worldwide (excluding the US, Canada and Japan).

The complete set top box system will offer a selection of movie and other TV content delivered to its hard drive for users to view with full on demand functionality, plus the capacity for subscribers to record personal content from existing channels. Operators will also be able to add their own local content to the service.

WDTV-I and the Kudelski Group will work together in the development of technology and the acquisition, management and playout of content for this offering. The system will use proprietary Push VOD technologies and appealing and easy-to-use navigation systems developed by The Walt Disney Company and the Kudelski Group.

Laurie Younger, President, Buena Vista Worldwide Television (on behalf of WDTV-I Ventures & Business Development) said: "We believe this offering will simplify the process for broadcasters looking to launch their own bespoke VOD and DVR services, harnessing the latest technology to bring content to viewers in new and flexible ways."

André Kudelski, Chairman & CEO, Kudelski Group said: "We are very pleased to benefit from WDTV-I's in depth experience with viewers and to be able to support attractive new business models thanks to our own creative state of the art technology".

For more information please contact:

Catherine Hugon
Corporate Communications Manager
Kudelski Group / Nagravision
+41 21 732 01 54
catherine.hugon@nagra.com

Sarah Hird
Corporate Communications Manager
WDTV-I Ventures & Business Development
+44 (0)208 222 1724
sarah.hird@disney.com

About the Kudelski Group/Nagravision

The Kudelski Group (www.nagra.com) is a world leader in digital security. Its technologies are used in a wide range of applications requiring access control and rights management, whether for securing transfer of information (digital television, broadband Internet, video-on-demand, interactive applications, etc.) or to control and manage access of people or vehicles to sites and

events. The Kudelski Group is headquartered in Cheseaux-sur-Lausanne, Switzerland, and its stock is listed on the Swiss Market Index.

Nagravision (www.nagra.com), a Kudelski Group company, is the world's leading independent supplier of open conditional access and integrated solutions for digital TV operators and content providers. Its technologies are currently being used by more than 100 leading operators worldwide serving over 57 million subscribers.

About Walt Disney Television International Ventures & Business Development

WDTV-I Ventures and Business Development is responsible for managing The Walt Disney Company's existing TV equity investments and developing new business opportunities in Europe, the Middle East and Africa.

The group manages investments in media companies such as GMTV in the UK, Super RTL and RTL 2 in Germany, and the pay TV service HBO Central Europe in Poland, Czech Republic, Hungary, Romania, Bulgaria, Slovenia and Croatia. The team also manages investments in the UK DSL video on demand service HomeChoice and the IPS Multicanal thematic channels service in Spain and Portugal. Its portfolio also includes FilmFlex, the new joint venture video on demand movie service, first launched in January and rolling out across UK cable during 2005/2006.