

PRESS RELEASE

SIX NEW DIGITAL TV CONTRACTS FOR NAGRAVISION AND EUROPEAN EXPANSION FOR TICKETCORNER

Cheseaux, July 3rd, 2002 – The Kudelski Group announces today 6 new digital TV contracts for Nagravision representing a total potential of more than CHF 70 million for the mid-term (3-4 years). With these new deals, the Kudelski Group is penetrating the digital TV market in Japan and strengthening its position in China, in the United States and in France. On the physical access side, TicketCorner is taking over the ticketing activities of the German company Qivive, thus becoming the second most important actor on this market in Germany and one of the leaders on the European ticketing market.

Since several years, the Kudelski Group has made a point of establishing a global presence - in America, in Europe and in Asia – on the digital TV market, a strategy which today allows it to have a certain amount of stability in an upset context. While the digital TV sector is living through a crisis in Europe, Nagravision takes advantage of its good position on the American and Asian markets.

With the integration of Lysis into the Kudelski Group, Nagravision has benefited from a reinforced sales team since the end of 2001. After 5 new systems announced in April, Nagravision today announces 6 additional contracts, bringing to 11 the number of new deals concluded during the first half of 2002. Besides, current negotiations should be finalized in the near future.

The new contracts are the following:

- **Shanghai Cable Networks (China)**, which has chosen the Nagravision conditional access system for its deployment over the cable network in the Shanghai area. Shanghai Cable Networks is one of the most important cable-operators in China with 3.5 million subscribers and more than 10% annual growth in subscribers. Additionally, this operator is planning to extend to other provinces in China using our technology.
- **Dalian Tian Tu Cable Television Network (China)**, which has chosen the Nagravision conditional access technology for the Dalian province, one of the most prosperous provinces in China. This project is achieved in cooperation with Lands Digital, Nagravision's Chinese partner. The TV operator has 500'000 subscribers which should be migrated to digital in the mid-term.
- The satellite operator **Space Communications Corp (Japan)**, which has selected Nagravision in cooperation with Matsushita (MITC) for a digital TV network in Japan. This is Nagravision's first digital TV contract in Japan. The potential is between 200'000 and 300'000 subscribers for the mid-term.

- **EMC (Taiwan)**, the major cable network operator in Taiwan with 1.8 million connected households, has selected Nagravision technology. Deployment of the digital TV system is planned to take place during the second half of 2002.
- **WOW (USA)**, which has chosen Nagravision for a terrestrial digital television system that includes the functionalities of PVR-type video-on-demand and supports high-definition (HDTV).
- The French cable network operator **Citévision**, which has chosen the Nagravision conditional access system for its digital TV deployment. This is Nagravision's first breakthrough in the digital TV sector in France.

In the physical access sector, the Kudelski Group's sister company TicketCorner has taken over the ticketing activities of Qivive, thus becoming the second player in the ticketing sector in Germany and one of the European leaders.

The Kudelski Group 2002 half year results will be published on 12 September 2002.

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