

Nagravision selected by 3 Italia to secure the world's first mobile TV DVB-H commercial service

Cheseaux, February 24, 2006 - 3 Italia, the leading Italian Mobile Media Company serving more than 5,5 million customers (at the end of 2005) has selected Nagravision, the world leading independent provider of open conditional access and integrated solutions for digital TV operators and content providers to secure its Mobile TV service, to be launched prior to the FIFA World Cup in June/July 2006.

The Mobile TV service, based on DVB-H broadcast transmission, will use Nagravision Conditional Access technology to secure and protect the access to 3 Italia broadcast TV streams.

Nagra Mobile solution, integrated into 3 Italia's SIM cards, handsets and network, manages the users' access rights and will allow 3 Italia to deliver a wide variety of advanced business models, from Pay-per-Subscription to Pay-per-View and Pay-per-Time. By integrating the core Nagra Mobile security into 3 Italia SIM cards, the solution works as a Pay-TV Smart Card to provide 3 Italia with the required highest level of protection to deliver premium and value added mobile content to its large customer base while enabling 3 Italia to remain in control of its Mobile TV revenues.

"Nagravision as a pioneer in the integration of Conditional Access into SIM cards and an industry acknowledged expert in securing premium content to leading Pay-TV operators made it definitely as the best and obvious partner for our commercial rollout" says Dina Ravera, Chief Operating Officer of 3 Italia. "It is an honor and a great excitement for Nagravision to collaborate with 3 Italia in launching the world-first DVB-H Mobile TV commercial deployment", says Adrienne Corboud, Executive Vice President Business Development of the Kudelski Group, Nagravision parent company. While currently more than 95% of mobile operator revenues come from voice and text, the industry focus has clearly shifted to delivering added value services such as music, television and broadband. 3 Italia who has clearly identified the opportunity to maximize their content revenues with Mobile TV will benefit from Nagravision sustainable content protection and business enabling features they need to capitalize upon these compelling potential business opportunities.

Nagra Mobile solution is based on the Open Framework's DVB standard. It offers differentiating pay business models, from classical online network-based business models such as subscription TV and Pay-per-View, to offline business models, which do not require handset-server interaction to acquire content rights. The offline business models are ideal for Pay-per-Time and mass-audience Impulsive Pay-per-View events, such a football game Pay-per-View, allowing million of users to acquire their access rights within seconds without overloading the mobile network and security servers, for the best user experience.

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.nagravision.com), a Kudelski Group company, is the world's leading independent supplier of open conditional access systems, DRM and integrated on-demand solutions for content providers and digital TV operators over broadcast and broadband platforms. Its technologies are currently being used by more than 100 leading Pay-TV operators worldwide securing content delivered to over 57 million subscribers.

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About 3 Italia – Mobile Media Company

3 Italia – It is the Mobile Media Company controlled by the Hutchison Whampoa Group shareholder of 95,4%. Its other shareholders are NHS Investments S.A (San Paolo IMI), RCS Media Group, Gemina and 3G Mobile Investments (Franco Bernabé Group). 3 Italia won a UMTS license in Italy in October 2000, commenced offering of its services in 2003 and is now the leader of the UMTS market in Italy, with 5,5 million clients at the end of 2005, thanks to a wide offer of multimedia, video communication and internet services, besides entertainment, music, information, cinema, sport and TV on the move.

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