



PRESS RELEASE

TV Content Delivered Anywhere and Anytime: The Paradigm Shift in the Digital Ecosystem Powered by the Kudelski Group

- The Kudelski Group empowers a paradigm shift in the digital ecosystem by securing the transfer of information, protecting the content in the digital television market, and enabling interactive user guides and applications.
- Innovative solutions for digital television demonstrated at the Montreux Jazz Festival included the NagraGuide interactive TV and video-on-demand application and Nagra Mobile TV solutions featuring live content securely broadcasted from Italian operator 3 Italia.
- Presentation topics for the media covered the converged digital ecosystem, emerging TV technologies, conditional access security, protecting and maximizing mobile TV service revenues and how new content business models will revolutionize the way people interact with entertainment content.

Cheseaux – July 10th, 2007 – A paradigm shift in the digital ecosystem of entertainment has opened the possibility for content to be delivered anytime, anywhere and to nearly any digital device. As the world's leading independent provider of value-added content protection solutions, the Kudelski Group (SWX: KUD.VX) empowers this paradigm shift by securing the transfer of information, protecting the content in the digital television market, and providing user interfaces and middleware which enables viewers to select programming and interface with interactive applications. The Group's revenue-generating turnkey solutions, with state-of-the-art conditional access and encryption technologies, are used by more than 100 leading digital television operators worldwide serving over 71 million active smart cards and devices.

On the occasion of the Montreux Jazz Festival, the Group displayed innovative technology solutions in the Kudelski Lounge at the Montreux Jazz Festival. The Kudelski Group also presented some background information on trends and opportunities to media and analysts during the festival. This event came out of a long-standing partnership of the Kudelski Group with the Montreux Jazz Festival. For more than ten years, the Kudelski Group has cooperated with the Montreux Jazz Festival, providing its technological know-how and expertise. This support has contributed to enable the festival to offer first-class services to its visitors.

Members of the media were treated to demonstrations of access, security, and protection solutions for digital television featuring, amongst others, the NagraGuide interactive TV and video-on-demand application, as well as Nagra Mobile TV solutions featuring live content securely broadcasted from Italian operator 3 Italia. At the festival, they also visited the Kudelski Group projection centre and learned more about "Montreux Jazz on Screen" and the Group's Hi-Fi Nagra Audio systems which perfectly taped and reproduce the sounds out of the Montreux Jazz Festival Archives.

Kudelski Group Presentations Covered Today's Hot Topics for Viewing and Securing Digital Content

A series of educational presentations for the press covered today's hot topics such as the converged digital ecosystem, emerging TV technologies, conditional access security, protecting and maximizing mobile TV service revenues and how new content business models will revolutionize the way people interact with entertainment content.

In a keynote presentation, André Kudelski, Chairman and CEO reviewed the new market opportunities for operators offering services within an ever converging digital ecosystem and how the Kudelski Group's turnkey solutions help those operators provide consumers with more options for viewing content and greater choices for both the delivery of and the interaction with that content than ever before. He also addressed the latest innovations achieved in security and integrated in the latest product generations.

Ivan Verbesselt, Senior VP, Head of Strategic Marketing highlighted the key trends in the type of content viewers are watching, when and where they are watching that content and the different devices that will continue to affect those viewing habits. Future packaging options for subscribers, enabled by Kudelski turnkey solutions, were presented along with what is technically and operationally achievable today.

Holger Ippach, Senior VP, Head of Product Marketing highlighted the benefits to both consumers and operators as the boundaries blur between broadcast and broadband ecosystems. Case studies of existing deployments included N9uf Cegetel and Numéricable.

Adrienne Corboud Fumagalli, Executive VP of Business Development discussed how to protect and maximize mobile TV service revenues. She also reviewed the driving factors for increased market growth and viewer loyalty.

Olivier Wellmann, Director Business Development at OpenTV presented how the proliferation of channels and the advent of interactive on-demand television are creating a new landscape for advertisers. New forms of advertising and advanced advertising solutions by OpenTV were covered. In a separate session featuring Mondrian, OpenTV's next generation TV middleware, he introduced a new viewer experience that includes a visually rich, high definition interface enabling a smooth transition between both innovative and established navigation techniques.

Philippe Stransky, Chief Technology Officer, presented how new business models are revolutionizing the way people interact with content. For example, a cross-network and cross-device solution, comprised of pre-integrated Lysis, Nagravision, Quative, and OpenTV products, allows operators to provide fully consistent service bundles to their subscribers. Persistent rights management, a Nagravision security feature which protects portable content and examples of deployed solutions were also reviewed.

Christophe Nicolas, Senior VP, Chief Security Officer discussed the many types of content secured by, as well as the guiding principals and characteristics of Nagra conditional access solutions, illustrating dynamic countermeasures and anti-piracy activities the company uses to help operators optimize the "total cost of ownership" of their technology environment.

The Kudelski Group at the Montreux Jazz Festival

The Kudelski Lounge is a high-tech “hot spot” at the festival. At the lounge, the Kudelski Group presents its latest solutions designed for digital television operators such as the “NagraGuide” application offering video on demand services, as well mobile TV applications. The Kudelski Lounge is open to all festival attendees.

In parallel, the Kudelski Group manages the festival's accreditation and payment system through its subsidiary company polyright. Based on the use of smart cards, the system allows staff members as well as artists, journalists and sponsors to purchase drinks, food and various services rapidly, conveniently and securely at the authorized points of sale of the Montreux Music & Convention Center.

The Kudelski Group is presenting an exceptional program of daily concert screenings in high definition selected among the festival's unique archive collection, the “Montreux Jazz On Screen”. “Montreux Jazz on Screen” takes place at the Fairmont Montreux Palace throughout the festival. Chosen by Claude Nobs, Founder and Director of the Montreux Jazz Festival, many of these historic concerts were recorded with the legendary Nagra tape recorder as from the early years of the festival. This year again, Nagra contributes to record and revive the emotion and excitement of these great musical events with the support of the finest audio technologies. The daily concerts will be shown in High Definition on a giant screen and with a Nagra Hi-Fi system, delivering extraordinary visual and sound quality.

About the Kudelski Group

The Kudelski Group (SWX: KUD.VX), 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. For more information, please visit www.kudelski.com.

Nagra Audio, the Group's earliest business unit, develops, builds, and markets a full range of portable recorders for professionals as well as a line of products in the high-end Hi-Fi sector. Products are sold under the Nagra brand.

In 2006, The Kudelski Group acquired a controlling ownership interest in OpenTV Corporation (NASDAQ GM: OPTV), a leading provider of technologies and services enabling the delivery of digital and interactive television. The company's software has been integrated in over 88 million digital set-top boxes and digital televisions around the world. The software enables enhanced program guides, video-on-demand, personal video recording, enhanced television, interactive shopping, interactive and addressable advertising, games and gaming and a variety of consumer care and communication applications. Visit www.opentv.com for more information.

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