

PRESS RELEASE

KUDELSKI GROUP LOWERS 2007 EBIT GUIDANCE FOLLOWING OPENTV'S THIRD QUARTER ANNOUNCEMENT

Cheseaux, November 8, 2007 – The Kudelski Group announces a downward revision of its 2007 profit guidance. The Group now anticipates a 2007 EBIT between CHF 85 and CHF 95 million, while total revenues are expected to be at the lower end of the CHF 940 to 955 million previously announced guidance range.

- The OpenTV third quarter results and full year outlook communicated yesterday lead to a CHF 18 million downward revision of the expected full year consolidated IFRS EBIT for the Group.
- The customers' rescheduling of two projects to the first half 2008 as well as the costs of the announced migration of 10 million active cards to the rental model affect the Digital TV division last quarter's profits.
- The Group further intensified its research and development efforts in the second half of this year with the intent of accelerating the release of its new core digital TV solutions.
- The Nagra Public Access division continues to develop in line with previously announced expectations.

In spite of a slower development of specific digital TV segments and geographical markets as well as a declining USD exchange rate, the Group still expects to exceed the CHF 1 billion revenue threshold in 2008. For next year, the Group plans a further strengthening of its research and development efforts in anticipation of the requirements of its core digital TV customers and prospects. The Group considers that such investments are key to sustain its envisaged growth.

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.

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