

Press Release

KUDELSKI GROUP TO PROVIDE FULL END-TO-END SOLUTION FOR PORTUGAL TELECOM'S NATIONAL HYBRID SATELLITE – BROADBAND PAY-TV SERVICES

- The Kudelski Group assumes full end-to-end responsibility from the headend to set-top box
- Portugal Telecom subscribers will benefit from an innovative mix of satellite and broadband services enjoying the best of both worlds out of one hand
- OpenTV's flagship middleware solutions, OpenTV Core2[™] and OpenTV PVR2[™], and Nagravision's electronic programming guide (EPG) to enable new HD subscription video-on-demand (VOD) service

Cheseaux, Switzerland - March 10th, 2008 - The Kudelski Group (SWX Swiss Exchange: KUD), a global leader in content protection and related digital television technologies, announced today that Portugal Telecom. the leading telecommunications services provider in Portugal, has selected a suite of Kudelski Group products for the national rollout of its new hybrid satellite-broadband Pay-TV services to be launched in 2008. The Kudelski Group will serve as the end-to-end system integrator for this project spanning the entire project from headend to set-topbox. The company is leveraging its entire suite of products to seamlessly introduce new subscription SD and HD services.

The Kudelski Group will provide its latest **Nagravision** conditional access system pre-integrated in an end-to-end solution blueprint that forms the basis for a next-generation TV service: from OpenTV (NASDAQ GM: OPTV), **OpenTV** Core 2.0 and OpenTV PVR2 as well as OpenTV's HTML execution environment which enable portability across a wide range of set-top boxes; the **Quative** next-generation Service Delivery Platform (SDP) provides a solid foundation for current and future interactive applications; the **Lysis** Content Management System (CMS) which drives the entire content distribution chain and workflow for on-demand content. The Kudelski Group will manage the full integration with Portugal Telecom's existing backend systems.

Pierre Roy, COO of the Kudelski Group said, "Convergence of broadcast and broadband continues to be a clear market trend. The pre-integration of Nagravision, OpenTV, Quative and Lysis products into a full solution suite allows us to help operators remain competitive and provide new services. Portugal Telecom is an excellent example of an operator using our end-to-end solution to expand their existing services with new compelling programming options."



"This new partnership is a strong example of how these value-added, bundled solutions allow our customers to differentiate platforms," said Ben Bennett, OpenTV's Chief Executive Officer. "We look forward to contributing to Portugal Telecom's growth and success, and growing our already strong footprint in Europe."

The Nagravision EPG solution is a powerful suite of interactive applications designed with HD and SD user interfaces. It was specifically created by Nagravision to make the most of Portugal Telecom's PVR set-top boxes integrated with Nagravision's conditional access and Push-VOD technologies, as well as OpenTV's proven, scalable and enabling solutions. The EPG was designed to guide Portugal Telecom's subscribers as they adapt to the explosive growth in digital TV programs, making it easier to find out what they want to watch and help them quickly choose how and when they want to watch it.

About Portugal Telecom

Portugal Telecom is the leading telecommunications and multimedia services provider in Portugal, it offers a full range of mobile services, multimedia services (such as pay TV, Internet access and portal services), data and business solutions (such as data communications, business-to-business e-commerce and data and networking solutions), and wireline telephone services for retail and wholesale customers. Visit www.telecom.pt for more information.

About the Kudelski Group

The **Kudelski Group** (SWX: KUD.VX) is a world leader in digital security and convergent media solutions for the delivery of digital and interactive content. Its technologies are used in a wide range of services and applications requiring access control and rights management to secure the revenue of content owners and service providers for digital television and interactive applications across broadcast, broadband and mobile delivery networks. The Kudelski Group is also a world technology leader in the area of access control and management of people or vehicles to sites and events. It additionally offers professional recorders and high-end Hi-Fi products. The Kudelski Group is headquartered in Cheseaux-sur-Lausanne, Switzerland. Please visit www.nagra.com for more information.

Nagravision, 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, broadband and mobile platforms. Its technologies are currently being used by more than 100 leading Pay-TV operators worldwide securing content delivered to over 84 million active smart cards and devices. For more information, please visit www.nagravision.com.

OpenTV (NASDAQ GM: OPTV) is one of the world's leading providers of solutions for the delivery of digital interactive television and advanced advertising services. The company's middleware has been integrated in more than 100 million digital set-top boxes and digital televisions around the world, and enables enhanced program guides, video-on-demand, personal video recording, enhanced television, interactive shopping, interactive and addressable advertising, games and a variety of consumer care and communication applications. The Kudelski Group has voting control of OpenTV. For more information, please visit www.opentv.com.



Quative Limited is a wholly owned subsidiary of the Kudelski Group and part of its Digital TV Division. Quative provides a next-generation award winning Service Delivery Platform (SDP), in combination with a comprehensive Content Management System (CMS) from Nagravision/Lysis and acts as a specialized end-to-end IPTV solution integrator for service providers. Quative is focusing on telecom and Internet service providers launching new IPTV services or migrating to next-generation IPTV solutions. Quative also offers a solution for cable and satellite/terrestrial pay TV providers deploying IPTV to seamlessly enrich the existing broadcast services. Please visit www.guative.tv for more information.

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