

Press Release

Nagravision Selected by SARFT as Official CAS Vendor for Chinese National Mobile TV Service first Launched for the Beijing Olympic Games

- Nagravision selected to protect China's national Mobile TV service using the STiMi standard
- Nagravision conditional access systems deployed before the Beijing 2008 Olympic Games
- Subscriber base of the service is expected to grow dramatically in a few years as coverage is increased
- Joint-venture to be created between SARFT's China Satellite Mobile Broadcast and Nagravision

Cheseaux, Switzerland – September 2nd, 2008 – Nagravision, a Kudelski Group (SWX:KUD.VX) company and the world's leading independent provider of value-added content protection solutions, today announced that it was selected by China Satellite Mobile Broadcast Limited (CSM), a company held under the Administrative Bureau of China's State Administration of Radio, Film, and TV (SARFT), as the conditional access provider for a nationwide Mobile TV service that was launched in time for the Beijing 2008 Olympic Games .

The subscriber base of the service is expected to grow dramatically in a few years as coverage is increased. For the 2008 Olympic Games in Beijing, major province capitals and six Olympic sites were covered by the signal. The Mobile TV service is available on a range of devices including handsets, portable media players and computers.

In the first months of the project, Nagravision is deploying a national conditional access system as well as 35 regional systems. This installed base is set to further evolve up to 338 systems by 2010. The service will provide national channels accessible throughout China and regional channels distributed at the provincial and municipal levels. The Nagravision systems will allow for a flexible commercialization of the service across the country, enabling program packages, roaming, data services, and advanced business models to be managed at the national and regional levels.

“Our project is the world's most ambitious Mobile TV undertaking to date,” said Madam Sun Zhaohui, Deputy Director-General and Head of the CSM Department of SARFT. “Industry analysts project a potential of 50 million subscribers in China by 2012. It has the potential of shaping a turning point in the Mobile TV industry thanks to the unwavering commitment of the government of China to make it happen, the sheer scale of the Chinese population who will benefit from it and drive immediately huge economies of scale, and the utmost commitment of the industrial players involved in China. We selected Nagravision as our conditional access system partner based on their leadership position in the conditional access industry, the proven scalability and stability of their systems, and their ability to deliver and manage complex systems.”

The Mobile TV service is based on STiMi (Satellite Terrestrial Interactive Multi-service Infrastructure), the Chinese national standard for mobile television and multimedia defined by the China Multimedia Mobile Broadcasting (CMMB) department of SARFT. Nagravision, an active contributor to the standard, developed a fully compliant solution, and is leading its integration into a wide range of mobile handsets, pocket TVs, and PC dongles. Many devices were manufactured by both Chinese and international companies for commercialization of the encrypted TV service for the Beijing 2008 Olympic Games.

“Nagravision is extremely proud of being selected for this defining project in China,” said Jean-Luc Jezouin, Senior Vice-President Mobile business unit for Nagravision. “This project will definitely impact Mobile TV worldwide, passing the affordability threshold, and unleashing consumer electronics creativity in making devices due to a strongly oriented ecosystem which is lacking in some other parts of the world. Capitalizing on this, we also intend to globally promote and commercialize our STiMi solution and device ecosystem. With this success, Nagravision is reinforcing its undisputed leadership position in Mobile TV service protection.”

Furthermore, CSM and Nagravision intend to create a joint venture to operate the conditional access systems and related activities.

About China Satellite Mobile Broadcast Limited

China Satellite Mobile Broadcast Limited (CSM) is a fully owned subsidiary of the Administrative Bureau of China's State Administration of Radio Film and TV.

About the Kudelski Group/Nagravision

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.

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 120 leading Pay-TV operators worldwide securing content delivered to over 92 million active smart cards and devices. Please visit www.nagravision.com for more information.

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