

Press Release

**Hi-tv Deploys Nagravision End-to-End Solution
To Bring Multi-Channel Digital TV Within the Reach of all
Mexicans**

- Hi-tv and TV Azteca, both part of Grupo Salinas, deploy a Nagravision MPEG-4 based end-to-end solution using three of TV Azteca's digital broadcast frequencies to offer multi-channel television in Mexico City.
- Hi-tv is the evolution of free-to-air television in Mexico.
- Innovative Nagravision set-top box solution built to meet the unique needs of Mexico's home-entertainment market.
- Mexico's consumers purchase a set-top box at retail, install it and watch free digital TV at home on the same day.

Cheseaux, Switzerland – April 17, 2009 – Nagravision, a Kudelski Group (SWX:KUD) company and the world's leading independent provider of value-added content protection solutions, today announced that Hi-tv, part of Grupo Salinas, a US \$10 billion group of Mexico-based companies, has launched an end-to-end Nagravision MPEG-4-based digital terrestrial television (DTT) solution.

Hi-tv, a new business unit of Grupo Salinas, oversees all business and technical operations of the service, including sales, marketing and customer management, while TV Azteca, the second-largest broadcaster in Mexico, provides the DTT network used to broadcast the channels. The Nagravision solution enables Hi-tv to optimize use of TV Azteca's ATSC frequencies in order to provide free multi-channel digital television to approximately 25 million people in Mexico City.

Hi-tv is the evolution of free-to-air television in Mexico and the first DTT multi-channel system to be deployed in all of Latin America. The service offers a broad selection of digital TV channels delivered free-of-charge and received via a roof-top aerial. There are no contracts and no fixed monthly payments. To start enjoying Hi-tv, viewers simply purchase a plug'n'play set-top box and connect it to their existing TV set. The Hi-tv channel line-up includes something for every member of the family, from the best in general entertainment to movies, sports and children's programming.

The Nagravision - Hi-tv solution represents a revolutionary leap forward for television in Mexico. In contrast to the traditional broadcast model, where operator bandwidth is utilized to deliver a single linear channel, the Hi-tv service comprises a multichannel line-up in standard definition, in addition to the existing high-definition broadcast of TV Azteca's three principle channels—13, 7 and 40. The key to enabling this is MPEG-4 video compression that allows the bandwidth optimization necessary to launch the multi-channel platform, something that just a few years ago would not have been possible.

In addition to Hi-tv and TV Azteca, Grupo Salinas also owns Elektra, Latin America's largest consumer electronics retailer. This combination of media and retail makes the retail model for the plug'n'play set-top boxes an ideal solution to bring the benefits of digital TV within the reach of all Mexicans. Hi-tv is currently in discussions to aggregate additional digital spectrum from non-TV Azteca frequency holders in order to add even more free channels to its multi-channel line-up.

Nagravision developed the entire service methodology and state of the art set-top box technology that now allow Mexico's consumers to come home after purchasing the set-top box in the retail store, to easily install the box themselves and to start enjoying digital TV the very same day.

"Nagravision was uniquely able to provide us with an end-to-end digital television ecosystem," said Omar Olivera, CTO of Hi-tv. "With Nagravision's technology and exceptional products, we now have a modern digital television infrastructure, which allows us to provide a new television product to the market and dramatically changes the way our consumers think about free, over-the-air, broadcast television."

"Until Hi-tv, multi-channel television was beyond the economic means of the vast majority of Mexican households," said Tom Wirth, Senior Vice President for Nagravision Americas. "Grupo Salinas and Hi-tv are at the forefront of Mexico's digital transition that is bringing free multi-channel television to everyone. Working with them to design a system that perfectly complements the Mexican home entertainment market has been an opportunity for us to showcase our end-to-end technology expertise."

In Mexico, just 25% of TV households have access to a multi-channel TV service, compared to almost 90% in the US. Through the Hi-tv initiative with Nagravision this situation is set to change quickly, as this innovative solution truly brings the benefits of multi-channel digital television within the reach of all Mexicans. Hi-tv is in discussions with broadcasters in other Latin American countries to bring Nagravision technology and the Hi-tv brand to other markets where multi-channel television has long been beyond the reach of the average household.

About the Kudelski Group and 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. Please visit www.nagra.com for more information.

Nagravision, a Kudelski Group company, is the leading 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 101 million active smart cards and devices. Please visit www.nagravision.com for more information.

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About Grupo Salinas

Grupo Salinas (www.gruposalinas.com) is a group of dynamic, fast-growing and technologically advanced companies focused on creating shareholder value, contributing to building the middle class of the countries where it operates, and improving society through excellence. Created by Mexican entrepreneur Ricardo B. Salinas (www.ricardosalinas.com), Grupo Salinas operates as a management development and decision forum for the top leaders of member companies TV Azteca (www.irtvazteca.com), Azteca America (www.aztecaamerica.com), Grupo Elektra (www.grupoelektra.com.mx), Banco Azteca (www.bancoazteca.com.mx), Afore Azteca (www.aforeazteca.com.mx), Seguros Azteca (www.segurosazteca.com.mx), and Grupo Iusacell (www.iusacell.com). Each of the Grupo Salinas companies operates independently with its own management, board of directors and shareholders. Grupo Salinas has no equity holdings. However, member companies share a common vision, values and strategies for achieving rapid growth, superior results and world-class performance.

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