

Iowa Network Services Deploys an Integrated Solution from Nagravision and Quative for Next Generation MPEG-4 IPTV Network

Demonstration at TelcoTV 2008 to Feature New INS User Interface

- The turnkey solution includes Nagravision's smartcard-less conditional access and digital rights management systems, Quative IPTV Service Delivery Platform (SDP), and HD set-top boxes
- The new solution provides more features than an earlier Nagravision cable solution still in use at INS and replaces a non-centralized IPTV middleware and a CAS solution previously deployed for MPEG-2 based IPTV

Anaheim, CA – November 11, 2008 – TelcoTV 2008 – Nagravision Booth – Nagravision and Quative Limited, two companies in the Kudelski Group (SWX:KUD), announced today that Iowa Network Services (INS) has deployed its integrated solution for its next generation MPEG-4 IPTV Network. INS's new user interface will be demonstrated in the Nagravision booth #409 at TelcoTV 2008 from November 11-13, 2008.

The turnkey solution includes Nagravision's smartcard-less conditional access and digital rights management (DRM) systems, the Quative IPTV Service Delivery Platform (SDP), and a MPEG-4 HD set-top box. It provides more features than an earlier Nagravision solution still in use for the cable operator members of INS and also replaces a non-centralized IPTV middleware solution. In addition, a Nagravision conditional access system will replace the previously installed conditional access system currently being used for MPEG-2 IPTV.

INS is privately owned by a group of 122 Independent Telephone Companies that has served 500,000 lowans since 1989. The INS Network has been delivering the latest in telecommunications services and it continues to grow. Telephony, core network transport, broadcast video and Internet services via netINS are among the products offered by INS to telephone companies across the state of Iowa and to enterprise customers nationwide.

"The Nagravision MPEG-4 IPTV solution provides a complete service package to our IPTV system operators. The solution includes encrypted MPEG-4 programming and the ability to add video-on-demand content with a high definition user experience," said Dennis Pearson, Executive Manager of Video at INS. "We selected this solution to provide our system operators with a centralized middleware solution with a choice of services and features that can be offered through this platform. This allows our system operators the capability to offer IPTV with a smaller capital investment."

"Historically, IPTV operators were forced to buy components from individual companies and were challenged to manage the implementation themselves," said Tom Wirth, General Manager and Vice President for Nagravision Americas. "Our turn-key solution makes it possible for INS and its operators to cost effectively deploy IPTV services."

The next generation digital video services offered by INS will be powered by the Nagravision/Quative solution that relies on a flexible centralized middleware server architecture

to offer a consistent end user experience across HD set-top boxes from several partner suppliers.

About the Kudelski Group, Nagravision and Quative

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. For more information, please visit <u>www.nagra.com</u>.

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 92 million active smart cards and devices. For more information, please visit www.nagravision.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 <u>www.quative.tv</u> for more information.

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