

Press Release



Quative End-to-End Interactive TV Solution Selected by B.Net Croatia for Broadband Cable System

- Turnkey interactive solution features the Quative Service Delivery Platform and Lysis Content Management System
- As the end-to-end systems integrator, Quative is combining industry leading systems from Harmonic and Technotrend to create a comprehensive and seamless on-demand cable and IPTV solution
- B.Net plans to launch new services in the second guarter of 2008

London – March 11, 2008 – IPTV World Forum Stand 176 – Quative Limited, a Kudelski Group (SWX:KUD.VX) company, was selected by B.Net Croatia, the national cable operator in Croatia, to provide an end-to-end interactive TV solution for their broadband cable system. The solution features the award winning Quative Service Platform (QSP) and the Lysis Content Management System (CMS), along with Harmonic's (NASDAQ: HLIT) complete video delivery solution encompassing compression, stream processing, on-demand delivery and edgeQAMs. As the end-to-end systems integrator, Quative is providing B.Net with a comprehensive and seamless on-demand cable and IPTV solution that simultaneously supports both types of networks.

Today, B.net, a part of the Austrian BEWAG group has over 100,000 TV cable subscribers. The company is using the Quative-based solution to launch a digital TV service in the second quarter of 2008. The service will include standard definition (SD) and high definition (HD) channels with a personal video recorder (PVR) option. During the second half of 2008, B.net plans to add VOD services as well as network based PVR services with time shifting and catch up TV options. The company also has plans to extend its services beyond cable using IPTV over alternate networks such as fibre to the home.

Adrian Jezina, CEO of B.Net Croatia says, "Working with Quative, we will launch an innovative interactive TV service in Croatia to our solid local customer base and extend the initial digital TV service offering with an ambitious roadmap. Quative has provided us with a truly open solutions approach, based on best-in-class industry products, which can be customised to our specific local market needs."

As the end-to-end systems integrator, Quative is supplying a complete broadcast and ondemand video delivery solution from Harmonic including the DiviCom® Electra 1000 SD and Electra 7000 HD encoders, ProStream[™] 1000 stream processing platform with Mentor[™] reencoding technology for digital turnaround, the award-winning NSG 9000 universal edgeQAMs and NMX Digital Service Manager[™]. Harmonic's StreamLiner® video servers and Armada® intelligent asset management have been selected as the VOD platform for B.Net's on-demand service. Technotrend set-top boxes supporting the Quative middleware and applications including the Technotrend C254 hybrid MPEG-2 SD entry level model and C862 MPEG-2/4 SD/HD premium model with optional PVR will also be part of the complete solution.

Sebastian Kramer, CEO Quative Limited, says "We look forward to deliver a turnkey digital cable solution to B.Net, which enables us to deliver innovative solutions with the shortest possible time to market while leveraging an open solutions approach centered around a trusted set of technology partners."

The Quative Service Platform (QSP) is based on the industry leading "Service Oriented Architecture" approach where core Java services are fully published to application developers. Different embedded client application environments such as browsers, SVG, or Java for different devices can be supported on a case-by-case basis using independent APIs to ensure the portability of such applications across different vendors' devices. Using the Quative platform and its server and client side open developer program shortens the time it takes to develop new applications and provides a quicker time to market for new and innovative services.

About B.Net Croatia

B.net Hrvatska d.o.o. is a leading cable TV and Internet provider in Croatian telecommunication market, emerged from two largest Croatian cable operators - DCM d.o.o. and Adriatic kabel d.o.o. B.net delivers complete range of telecommunication services: cable TV, internet and phone service for private and business users. B.net reaches 250 000 households nationwide, with significant network coverage in all major national geographical and economic centers (Osijek, Rijeka, Solin, Split, Velika Gorica, Zadar, Zagreb). Through long term cooperation, B.net has established itself as reliable partner to large numbers of national and international companies, offering innovative telecommunication solutions and meeting needs of everyday business. B.net aims to meet comprehensive strategic goals of own development – network reconstruction and building modern HFC network with one objective providing the best and the most reliable connection at fair price for all B.net users. B.net mission is to remain leading cable TV network in Croatia, with constant growth and improvement offering services broadband network to end users.

About The Kudelski Group / Quative Limited

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.

Contacts:

Sebastian Kramer CEO, Quative Limited +44 7920 111810 sebastian.kramer@quative.tv Adrian Ježina CEO, B.Net Hrvatska d.o.o +38516566300 adrian.jezina@bnet.hr

Ivan Schnider Head of Marketing Communications, Kudelski Group +41 21 732 09 40 ivan.schnider@nagra.com