



## **NDS AND THOMSON JOIN FORCES TO PROMOTE THE DEVELOPMENT OF SECURE CONTENT PROTECTION SOLUTIONS**

*The agreement allows the introduction of a comprehensive content protection system based on the interoperability of SVP and SmartRight™ solutions. This cooperation will pave the way to new opportunities for content delivery, ensuring protection for content owners, at low cost while preserving ease of use for consumers.*

**London, UK; Paris, France – April 7, 2004:** NDS (NASDAQ/Euronext Brussels:NNDS), a News Corporation company and leading provider of technology solutions for digital pay-TV, and Thomson (Euronext Paris: 18453; NYSE: TMS), the worldwide leader in integrated solutions (technologies, equipment and services) for the entertainment and media industries have announced their cooperation to promote the development of Secure Video Processor (SVP) and to combine it with SmartRight™ technology to offer a comprehensive solution for digital content protection, from network operators/broadcasters to final consumer receiver and display devices. The objective of the two partners is to promote a standard secure and end-to-end digital content distribution solution for the industry.

This agreement strengthens the strategic relationship between NDS and Thomson by offering a single solution based on the assets and competence of the two companies.

Unprotected digital content is a major issue for content providers because it can be copied, widely redistributed and consumed at its original quality. Content protection mechanisms are an important element for content owners and service providers to have in order to protect their business while also understanding the consumers' expectation to enjoy freely the experience throughout their domain.

This common approach to content protection created by NDS and Thomson will rely on the interoperability of SVP and SmartRight™ and will benefit all the players in the entertainment value chain, as follows:

- Content providers rights are protected and digital content is secure from distribution to final use: this approach with two complementary solutions offers end-to-end protection, content being kept scrambled from the point of transmission to the rendering device while enabling new business opportunities and user convenience.
- Content will be delivered from the content distributor and broadcaster using SVP technology to protect the content and convey the rights. The rights and protected content can then pass through the gateway into a SmartRight™ controlled domain under the control of the operator if appropriate.
- Consumer Electronics vendors will have a low cost, standardized way to protect content. The continuity in protection will be enabled for instance through the SVP SmartRight™ Gateway at the bridge of the public, vertical operator and private domains. This will enable interoperable solutions in the integrated circuits

embedded in consumer electronic devices such as STBs, home gateways, digital displays etc.

- Content distributors are able to securely deliver high value content, using flexible business models. The solution will strengthen the business of electronic distribution by preventing illegal copying and redistribution.
- Consumers have greater flexibility and "fair use". They have "seamless" access to content when and where they want while only paying for the level of access they want.
- SVP and SmartRight™ logic can be embedded in a wide range of standard chips that can be used in CE devices including digital TVs, set-top boxes, Digital Video Recorders, portable players and other mobile devices.

This cooperation between NDS and Thomson will help to create a simplified approach to content protection for the benefit of all the involved parties under fair and reasonable licensing conditions.

Abe Peled, president and CEO, NDS Group plc said: "The endorsement of a leading content security provider, and a leader in integrated solutions for the entertainment and media industries is a compelling argument to drive the SVP standard and make it an optimal choice for content protection. NDS has always been at the forefront of developing and supporting open standards for the industry."

Jean-Charles Hourcade, EVP, Thomson, head of Technology group, stated: "This development takes place in the frame of the strategic relationship between Thomson and NewsCorp, and I am very pleased to announce this significant joint development with NDS, key provider for technology and security solutions of News Corporation. By combining SmartRight™ and SVP standards, this agreement is a major achievement to provide both the entertainment and media industries with the optimal expected solution for content protection while amplifying the consumer entertainment options."

###

#### **Notes to Editors:**

**SVP:** The SVP security can be added to any digital video processing chip creating an "SVP compliant" chip. This single secure chip decrypts and decompresses high value content, and can be embedded in a wide range of consumer electronic devices, like digital TVs, set-top boxes, DVRs, mobile phones and other portable players. The principle of an SVP compliant chip is to ensure that clear compressed content is never available outside of the chip in a digital format thereby giving content providers and rights owners the security needed to protect their business models.

SVP is widely supported as an open standard for digital rights management (DRM), available to other partners and vendors, and flexible to support proprietary extensions. For more information about SVP, visit the website at [www.svp-cp.org](http://www.svp-cp.org)

**SmartRight™:** SmartRight™ is an end-to-end copy protection solution. It extends the protection of Conditional Access Systems and Digital Rights Management systems to the complete home network. SmartRight™ prevents digital content from unauthorized redistribution, including over the Internet, outside a secure, authorized domain. SmartRight™ enables the consumer to include devices in remote locations, such as a car or boat, second home, office within his/her domain. SmartRight™ is a fully renewable system, thanks to its consumer-friendly "Smart Card", and allows full interoperability with legacy analog television equipment.

For more information about SmartRight™, visit the website at [www.smartright.org](http://www.smartright.org).



*NDS Cautionary Statement Concerning Forward-looking Statements*

*The statements contained in this release which are not historical facts may constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements relate to the plans, projections or future performance of NDS, which involve certain risks and uncertainties, including risk of market acceptance, the effect of economic conditions, possible regulatory changes, technological developments, the impact of competitive pricing and the ability of NDS and its commercial partners to develop systems and solutions which meet the needs of the broadcasting industry in a timely and cost-efficient manner, as well as certain other risks and uncertainties which are detailed in NDS's filings with the SEC. Company or product names have been used for identification purposes only and may be the trademarks or registered trademarks of their respective companies.*

###

*For Thomson: Certain statements in this press release, including any discussion of management expectations for future periods, constitute "forward-looking statements" within the meaning of the "safe harbor" of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on management's current expectations and beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements due to changes in global economic and business conditions and regulatory factors. More detailed information on the potential factors that could affect the financial results of Thomson is contained in Thomson's filings with the U.S. Securities and Exchange Commission.*

###

**About NDS**

NDS Group plc (NASDAQ/Euronext Brussels:NNDS) is a leading supplier of open end-to-end digital pay TV solutions for the secure delivery of entertainment and information to television set-top boxes and IP devices. See [www.nds.com](http://www.nds.com) for more information about NDS.

**About Thomson**

Thomson (Euronext Paris: 18453; NYSE: TMS) is the leading provider of technology and service solutions for integrated entertainment and media companies. By capitalizing on and expanding its leadership positions at the intersection of entertainment, media and technology, Thomson provides end-to-end solutions to content creators, video network operators and manufacturers and retailers through its Technicolor, Grass Valley, THOMSON and RCA brands. For more information: [www.thomson.net](http://www.thomson.net)

**NDS Group plc**

Margot Field  
Tel: +44 (0) 208 476 8158  
E-mail: [mfield@ndsuk.com](mailto:mfield@ndsuk.com)

**Shared Value Europe**

Alex Dee  
Tel: +44 (0) 207 321 5010  
E-mail: [adee@sharedvalue.net](mailto:adee@sharedvalue.net)

**Breakaway Communications US**

Kelly Fitzgerald  
Tel: +1 212 590 2555  
E-mail: [kfitz@breakawaycom.com](mailto:kfitz@breakawaycom.com)

**Thomson**

Aline Caranicolas  
Tel: + 33 (0)1 4186-6853  
E-mail:  
[Aline.Caranicolas@thomson.net](mailto:Aline.Caranicolas@thomson.net)

Lorie Lichtlen (Financial Dynamics)  
Tél : +33 1 4703-6810  
E-mail : [Lorie.lichtlen@fd.com](mailto:Lorie.lichtlen@fd.com)