

NDS OFFERS ADVANCED TV APPLICATIONS AND PERIPHERALS TO DRIVE NEW CONTENT AND REVENUE STREAMS

Highlights:

- NDS demonstrates new applications on NDS's XTV™ 3rd generation PVR system.
- NDS's iVideoGuard™ content protection enables new business models for interactive TV applications.
- New NDS TVXreach™ set-top box (STB) peripheral demonstrates the convergence of t-commerce with m-commerce as well as the extended reach of TV within the home

London, UK – August 29th, 2002: At IBC 2002, NDS Group plc, a News Corporation company and a leading provider of technology solutions for digital pay-TV will demonstrate the enhanced capabilities of XTV™ – the first end-to-end PVR system. Using new PVR-based applications NDS's XTV will offer TV operators new ways to attract subscribers and generate revenues beyond current VCR-like capabilities. These applications include:

- Personal jukebox - allows viewers to create their own music albums and access clips on demand from the hard disk. The application includes the option to select from different play lists, and access additional information about song and performer.
- Video-based interactive games - a new generation of interactive TV games, using downloaded video material accessed from the hard disk. The game includes an option to impulse-purchase access to new levels of the game.
- Travel guide - travel guides with holiday information and video resort clips.
- Interactive advertising - allows viewers to select adverts that better match their preferences, using stored commercials from the hard disk.

NDS will also demonstrate TVXreach, a new STB peripheral add on module allowing the STB to communicate with Bluetooth-enabled household devices, such as mobile phones, printers and PDA's, integrating t-commerce with m-commerce. TVXreach users will be able to download redeemable coupons for use in stores, or receive pay-per-view coupons in-store and use them to pay for downloadable TV programs. As an additional feature viewers will be able to pause their favorite show and print the paused color image of their favorite TV stars or sports stars to a Bluetooth-enabled printer.

TVXreach has been designed by NDS to work with legacy and new TV platforms, allowing operators, content and service providers to introduce new revenue streams as well as expand existing revenue sources.

Jas Saini, Vice President Consumer Devices, NDS Group plc, commented: "XTV was developed with numerous features to assist TV operators maximize the possibilities for monetizing their investment. NDS has always believed that STBs and their connectivity form an excellent base for a whole new range of home wireless applications. Now we can prove how this technology can change the viewer experience, make content more portable, create new advertising mediums and, most importantly, generate revenue."

NDS has proved around the world that its solutions bring increased revenue, with customers such as Sky digital, MTV and QVC using NDS solutions as a key element of their strategies.

Now, as companies seek more ways to maximize their return on technology investment, NDS is helping them achieve this by enabling the creation of new types of content and viewer experiences and securing the delivery using the advanced features built into XTV.

Jas Saini continues, “TV-commerce is at an early stage and is still to be fully accepted by the viewer. As interactive content develops, particularly interactive advertising, NDS believes that content providers will be able to build more valuable relationships with its viewers through what they can physically gain from watching television, such as a way to collecting coupons from adverts or promotions and redeeming them for free movies or games. This will, in turn, lead to greater return for the content provider, through increased viewer loyalty, leading to increased revenue.”

About NDS

NDS Group plc (NASDAQ/NASDAQ Europe: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 personal computers. See <http://www.nds.com/> for more information about NDS.

Cautionary Statement Concerning Forward-Looking Statements

This document contains certain ‘forward-looking statements’ with the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management’s views and assumptions regarding future events and business performance as of the time the statements are made. Actual results may differ materially from these expectations due to changes in global economic, business, competitive, market and regulatory factors. More detailed information about these and other factors that could affect future results is contained in our filings with the Securities and Exchange Commission. The ‘forward-looking statements’ included in this document are made only as of the date of this document and we do not have any obligation to publicly update any ‘forward-looking statements’ to reflect subsequent events or circumstances.

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