

ADB to supply first hybrid, high definition, IPTV digital video recorder, the ADB-5810TWX, for launch on Telefónica network.

ADB SELECTED TO SUPPLY FIRST DVR FOR LAUNCH ON TELEFONICA IPTV NETWORK

10 September 2007 – Geneva, Switzerland and IBC, Amsterdam, Netherlands: Advanced Digital Broadcast (www.adbglobal.com), a leading supplier of digital TV systems and software solutions for interactive television announced today that it has been selected to supply high definition, hybrid, digital video recorders (DVRs) to Telefónica in Spain. ADB's ADB-5810TWX platform has been launched at IBC2007 in Amsterdam, Netherlands and Telefónica will be the first IPTV operator to deploy it in volume, offering its customers the benefit of a more personalised television experience including high-quality, one-touch digital recording and playback.

"We are delighted to have been selected by Telefónica to develop and supply this new and innovative product. ADB has established a close working relationship with Telefónica since the launch of their highly successful IPTV service, supporting them with award-winning set-top box technology", commented Karl Tempest-Mitchell, Senior Vice President, Sales and Marketing of ADB. "We believe that the new units will enable Telefónica to expand their service portfolio and increase revenues, while providing their customers with a very attractive, personalised television service including high definition and digital video recording".

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The ADB-5810TWX is a state-of-the-art DVR incorporating standard definition (SD) and high definition (HD) television reception and is based on MPEG-2 and H.264/MPEG-4 Advanced Video Coding (AVC). The unit enables operators to maximise their broadcast bandwidth, while presenting consumers with a high quality, personalised television experience. ADB's unique driver and operating software, coupled with an optimal memory configuration and state-of-the-art microprocessor, result in enhanced system performance, including fast channel decoding and swift rendering of applications such as the Electronic Programme Guide (EPG). The ADB-5810TWX platform enables access to a powerful range value added IP services such as Video-on-Demand and video conferencing and can act as a 'home server' at the heart of a home entertainment network. It has been specifically designed for the hybrid IPTV market where access to broadcast services alongside those delivered over IP provide a very comprehensive viewing portfolio. The unit is fitted with a 160GB hard disk drive to enable consumers to store and playback content at their convenience and is compatible with the industry's leading conditional access, middleware and digital rights management technologies.

"As one of the leading IPTV operators in Europe we are very proud of our technological position in the market by offering an innovative and value added service to our customers", commented by Mr. Javier Lucendo de Gregorio Telefónica's technical manager in broadband equipment. "We are delighted to work together with ADB for this latest product launch that will see one of the world's first deployments of IPTV based digital video recording, we feel that the service is a natural extension to our existing product portfolio and strongly believe that it will prove to be highly successful with our customers by increasing their satisfaction and fidelity".

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See ADB in hall 5, stand number 248 or in the IPTV Zone, stand 213 at IBC2007.

About ADB

Advanced Digital Broadcast (www.adbglobal.com) is a leader in the design, development and supply of high-quality products to the world-wide digital television market. The Company has deployed over 8 million set-top boxes, across high-volume markets, incorporating the industry's pioneering middleware, conditional access and hardware technologies.

ADB has established itself as a trusted partner to television operators supporting them to launch new services using state-of-the-art technology. Through its unique end-to-end understanding of set-top box software, ADB is able to design and supply highly efficient and performance-optimised hardware platforms ahead of the competition.

Approximately 70% of ADB's workforce is dedicated to engineering; developing products across all the digital television technology platforms including cable, Internet Protocol (IP), satellite and terrestrial.

ADB is headquartered in Geneva, Switzerland with its main Research and Development facility in Zielona Gora, Poland and Operations division in Taipei, Taiwan. ADB has local representation in Australia, Israel, Italy, Singapore, Spain, the Ukraine, the United States and the United Kingdom.

ADB is a member of the ADB Group of companies; ADB Group (www.adbholdings.com) is publicly listed on the Swiss Stock Exchange (SWX:ADBN).

ADB. Defining Digital.

About Telefónica

Telefónica is a world leader in the telecommunication sector, with presence in Europe, Africa and Latin America. As of March 2007, Telefónica had 206.6 million customers.

Telefónica is an integrated carrier with one of the largest market shares outside of its original market and is the leading carrier in the Spanish-Portuguese speaking market. Thanks to this, it is on its way to becoming the leader among multi-service and multi-domestic providers.

In Spain, the Group has more than 80 years' experience, and as of March 2007, had almost 16 million land-line accesses, plus more than 4.9 million data and internet accesses, and more than 21.8 million cellular telephone customers.

Telefónica has been present in Latin America for 16 years, with a cumulative investment in infrastructure and acquisitions of more than 70 billion euros. As of March 2007, Telefónica was the leading operator in Brazil, Argentina, Chile, and Peru, with significant development of its operations in Colombia, Ecuador, El Salvador, Guatemala, Mexico, Morocco, Nicaragua, Panama, Puerto Rico, Uruguay, and Venezuela.

In Europe, Telefónica O2 is present in the U.K., Ireland, Germany, and the Czech Republic. As of March 2007, the Group had more than 35.8 million cellular accesses, and close to 2.3 million land-line accesses in the region. Telefónica O2 has also been awarded one of the 3G mobile telephony licenses in Slovakia for a period of 20 years.

The Group is fifth in the world in the Telecom sector by market capitalisation and sixth in the Eurostoxx 50 ranking (November 20, 2006) with a market capitalisation of almost 100 billion US\$. The Group has more than 1.5 million direct shareholders and is listed on the main Spanish and foreign stock markets.