

Considering the strength of the digital cable market in China, those conditional access system (CAS) providers that have been successful in selling in that market are poised to substantially increase their market share. Over the next three years, China Digital TV, the leading CAS supplier in that market is set to increase its worldwide market position from 8th as of the end of 2007 to 4th or 5th as of the end of 2010.

PRESS CONTACTS:

Stephen Froehlich, Analyst, Connected Home Group Alison Bogle, Marketing Manager

IMS Research

IMS Research

Tel: +1 512-302-1977

Tel: +1 412-441-1888

Stephen.Froehlich@imsresearch-usa.com

Alison.Bogle@imsresearch-usa.com

www.imsresearch.com

www.imsresearch.com

Chinese Conditional Access Providers Gaining Market Share

Austin, Texas, USA (June 10, 2008) – The growth of Chinese digital cable has rapidly become the *single largest force* in digital television. As a result, the conditional access system (CAS) providers that have been successful in China and are forecast to continue to gain share against all of the major western CAS providers.

IMS Research analyst Stephen Froehlich notes, “NDS’s own success in China along with its upcoming switchovers of about 4 million Premiere (Germany) and Astro (Malaysia) subscribers are the only reasons NDS is able to keep its subscriber additions ahead of China Digital TV during 2008.”

Froehlich adds, “Assuming no new major switchovers, by 2010, the leading position of China Digital TV Holding Co., Limited (also formerly called Novel Tongfang) in the Chinese market is likely to make it the 4th or 5th largest CAS provider in the world in terms of the number of subscribers (households) it secures.

IMS Research’s 2008 *Conditional Access Market* report forecasts that both China Digital TV and Motorola will each secure nearly 10% of the world’s digital TV subscriptions at the end of 2010. Amongst western CAS providers, Irdeto leads in China and is followed by NDS.

IMS Research has recently published *The Conditional Access Market: A Complete Analysis of Content Protection and DRM in Digital TV – 2008*. The report covers market shares for the satellite, cable, and terrestrial conditional access system (CAS) providers and IPTV digital rights management (DRM) providers in terms of active subscribers and households; active

China's Impact on the Conditional Access Market		
Worldwide Subscriber Share Rank		
CAS Providers	YE-2007	YE-2010 (Est.)
NDS	1	1
Nagra	2	2
Motorola	3	4
Irdeto	4	3
China Digital TV*	8	5
DVN*	14	10

Source: IMS Research - The CAS Market 2008 Ed.

(Est.) 2010 Estimate assumes that competing CAS providers have constant share on each broadcast platform in each country from YE-2007, excepting announced switchovers.

*Chinese Domestic CAS Providers

set-top boxes (STBs) and integrated digital televisions (iDTVs); and shipments of STBs and iDTVs.

If you would like an interview with an expert in this area, please contact Alison Bogle, Marketing Manager, at Alison.Bogle@imsresearch-usa.com or +1 412-441-1888.

About IMS Research

IMS Research is a supplier of market research and consultancy services on a wide range of global electronics markets. The company is supported by headquarters in Wellingborough, UK and offices in Austin, Texas and Shanghai, China. IMS Research regularly publishes detailed research on the connected home and digital television markets, among others. www.imsresearch.com

CAS Provider Websites & Stock Symbols

NDS: www.nds.com

Nasdaq: NNDS

Nagra: www.nagra.com

SWX: VTX

Motorola: broadband.motorola.com/consumers/home_entertainment.asp

NYSE: MOT

Irdeto: www.irdeto.com

Subsidiary of Naspers – JSE: NPN

China Digital TV: ir.chinadtv.cn

NYSE: STV

DVN: www.dvnchina.com/en/

HKEX: 0500