



Making staying in,
the new going out.



NDS is a leading supplier of open conditional access software, interactive applications and datacasting solutions. NDS secures the delivery of entertainment and information to TVs, set-top boxes, personal computers, and mobile devices.

NDS systems enable broadcasters, network operators, and content providers to profit from emerging digital TV technology and its associated interactive services.

Headquartered in the UK with offices worldwide, NDS employs over 1000 people and continues to make a major commitment to R&D, with over 450 employees dedicated to pioneering development work at research centers in Israel, China and in the UK.

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World leader,
world vision.

Mission statement

- › NDS's mission is to provide the leading systems and services for the secure distribution of entertainment and information over digital broadcasting media and the Internet to televisions and personal computers.

NDS today

- › Today NDS is the leading provider of Conditional Access to digital Pay-TV operators worldwide. NDS is also an early leader in the provision of Interactive TV applications as well as Datacasting.

Strategy

The strategy by which NDS will achieve its mission is:

- › Supporting our current customers to grow their subscribers
- › Selling new applications and services to help them gain new revenue streams
- › Winning new Pay-TV Customers, in particular focusing on new opportunities in cable
- › Capitalizing on the convergence of Digital Broadcasting and the Internet to offer new products and services leveraging our technological and market position
- › Developing strategic alliances to gain market share and expand our reach

Television
has changed
our lives

It brings the world into our living room. It has shown us major events such as war, peace, sports and the drama of breaking news. It has changed our perspectives - in real time - and made our world a lot smaller.

The second television revolution, the digital revolution, started just a decade ago with a vision; digitize TV signals. Digital TV was first sent to tiny satellite dishes and then by digital cable. It brought people real choice. From a handful of free to air and premium cable channels, viewers could now select from hundreds of channels packed with movies, sports, shopping and music. People embraced this choice - and were ready to pay for it.





Today, the digital revolution continues to change our lives.

Digital satellite, digital cable, broadband and digital terrestrial bring hundreds of channels to homes. Datacasting will deliver the same information to PCs, personal devices, mobile phones and even to aircraft inflight systems.

This change means enhanced activity, more subscribers and more revenues for broadcasters, broadband network operators

and content providers. It also means new challenges, new opportunities and new ways to have fun.

Wherever digital broadcasting technology is enhancing lives, you'll find NDS, because NDS is making it easier for people to spend more time at home. They can shop, be educated and entertained, and do much more. To see how NDS makes staying in the new going out, just turn the page...



Goooaallllllll!

A packed stadium. The Cup final... Your team is down 2-1 in the last half minute. And then... a jostle, a flash and goal! Then comes the penalty shoot out and 10 kicks later... For everyone at the match, it's the defining moment. Dancing, singing, cheering... or the agony of defeat.

There's nothing like being at the big game - if you can get tickets. Whether it's football, baseball, hockey, basketball or cricket, nothing beats the buzz of being in the stands, and watching your team win the cup. Sometimes it's hard to make staying home the new going out.



Everyone loves to shop



The stores, the excitement, the day out. Shopping can be lots of fun... and sometimes it can be a bit of a fuss. For most people, a day out shopping is a great experience.

In the past, when a person wanted something, they had to go out and buy it. They could order it from a catalog, but it could take weeks to arrive by mail.

Then came late night TV shopping. Amazing tools, insurance, exercise equipment, records and cassettes, miracle polishes and kitchen gadgets. Products that were not available in stores and had to be ordered before midnight. Products that many of us still remember. But NDS has helped change all that. Today, shopping on TV is a serious business and everything you want is available. NDS makes it easier to shop at home by giving people a lot more to choose from and by making transactions completely secure.

Now you can do it at home.

Dedicated home shopping channels help people buy what they want without going out. Until now, people had to have time to watch home shopping channels. When they saw a product they liked, they had to make a call, give their credit card details to a complete stranger on the phone, then wait until the goods arrived.

There's home shopping... and then there's *enhanced* home shopping. QVC of the UK and NDS have created an enhanced interactive home shopping experience that gives viewers more information at the touch of a button.

Even if they're watching a program and get the urge... all they have to do is click their remote control to buy. Their selections are delivered right to their doorstep.

Parents can make sure their kids can't exceed a preset spending limit. Charges are securely added to a favorite credit card. And the operator or broadcaster makes money on every transaction.



Missing out?

For some of the world's working population, prime time television occurs in the middle of their working day - which may be in the middle of the night. When someone works shifts, or travels, they end up missing their favorite program week after week. That also means broadcasters and content providers are missing out on valuable audiences.

For people who can get past programming the clock on their VCR, there's always the possibility of taping a show - unless there's a power failure, schedule change or a previous program goes into overtime.

Consumers may want a PVR (Personal Video Recorder), but for broadcasters and operators, that means lost revenues and smaller audiences. That's why they need XTV from NDS.



You can't miss it!

NDS makes sure viewers never miss their favorite programs again. Program providers, broadcasters and network operators keep their audiences, strengthen their brands and never miss an opportunity to make money. The solution is XTV (extended TV), a comprehensive system that lets everyone win.

Customers are pleased because XTV gives them added functionality in their set-top box. The system uses an intelligent agent that helps users by finding the programming they like and storing it on a hard disk for viewing at a later date. NDS technology helps broadcasters and content providers safeguard their content and determine what can be shown.

XTV is also great for broadcasters, program controllers and network operators because they control the storage space and branding. Better yet, XTV generates additional revenues whenever someone watches a program. Content protection software safeguards stored digital content. Advertisers can better direct messages to target audiences.



Showtime!



There's nothing like a new movie, a great concert or a special show to get people lining up. Day or night, rain or shine, they line up and love it! Because part of the excitement of going out is waiting in line. Standing in the rain, in minus 10 degree weather, or under a relentlessly blazing summer sun isn't fun - but it's part of the experience.

It's hard to beat the live concert experience. But we could do without finding a babysitter, the endless search for parking, waiting in line for the bathroom and overpaying for ice cream.

Staying in is the new going out

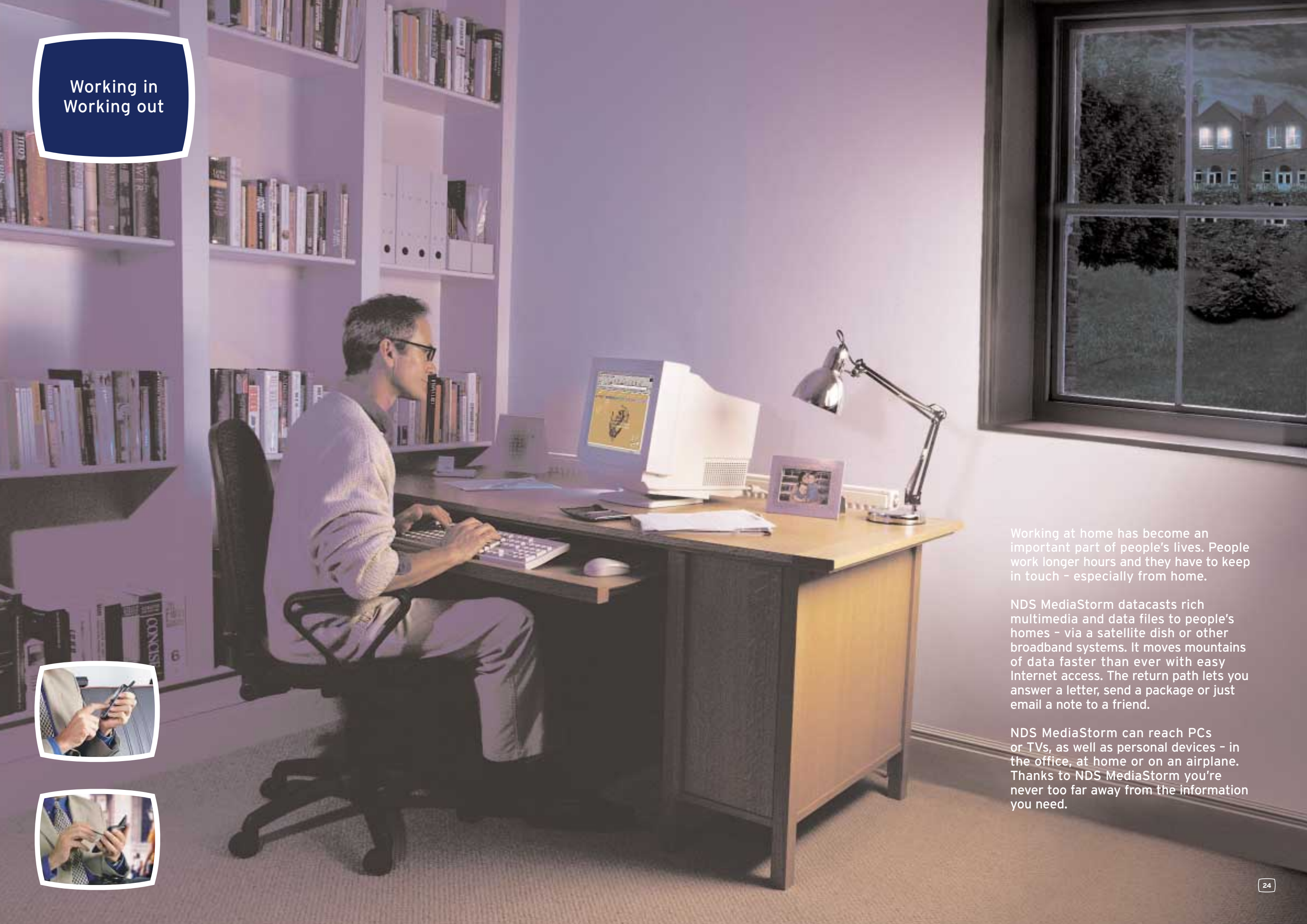
With a wealth of first run movies - musicals, classics, adventure or romance; as well as live sports and hundreds of special events to choose from, you're sure to find something you want to stay home for.

NDS has helped program providers bring first run movies, concerts and events using technologies such as PPV (Pay-per-view), VOD (Video on Demand) and NVOD (Near Video on Demand) right into people's homes. Goodbye babysitters, goodbye traffic jams, goodbye sell outs. Hello entertainment. Because sometimes, you might just want to stay in.

But, if you are going out, stay in for just a few more minutes with NDS. We'll make going out easier than ever with Electronic Program Guides (EPGs) that help you find the right portals and box office channels. You can buy tickets for major events, find a restaurant or reserve seats for the big fight - just by using your remote control. Decide how much you want to spend and we'll find you the best seats in the house - even if it's your house.



Working in
Working out



Working at home has become an important part of people's lives. People work longer hours and they have to keep in touch - especially from home.

NDS MediaStorm datacasts rich multimedia and data files to people's homes - via a satellite dish or other broadband systems. It moves mountains of data faster than ever with easy Internet access. The return path lets you answer a letter, send a package or just email a note to a friend.

NDS MediaStorm can reach PCs or TVs, as well as personal devices - in the office, at home or on an airplane. Thanks to NDS MediaStorm you're never too far away from the information you need.



“NDS’ success depends on the success of our Pay-TV customers. When they succeed in growing their subscriber base, we succeed. Our growth also depends on our ability to help our customers provide new interactive services.”

Dr Abe Peled, CEO



NDS originally developed removable security on a smart card for BSkyB in 1989, and has continued to grow with this premiere broadcaster. NDS played a significant role in the launch of Sky digital, BSkyB’s digital service.

Today, Sky digital is a global innovator in the use of interactive applications as part of its digital offerings. NDS developed the unique Sky Sports Active application in conjunction with Sky digital, which helps attract millions of viewers weekly. NDS is also developing other interactive applications for this state of the art broadcaster.

In 1999, BSkyB had more than 9 million subscribers throughout the UK, of which 4.5 million are direct-to-home subscribers.



Cablevision is putting together an open cable system, and NDS, together with other vendors including Sony, Harmonic and Cisco are major participants. For this fully interactive cable system, NDS is providing Conditional Access for subscription and cable services and providing servers for transmission control.



Madritel is a cable operator serving the greater Madrid area. In addition to supplying headend systems and Conditional Access for this new digital cable operation, NDS also integrated the compression and multiplexing systems. As a result of close cooperation, Madritel was able to launch earlier than expected.



Yes - DBS is Israel’s first satellite direct to home service. NDS created a turnkey solution including designing and building a broadcast center, selecting and integrating the equipment and training employees. NDS also created a multilingual EPG for Yes in Hebrew, Arabic, Russian and English.

**People and technology,
the winning combination.**

NDS is a people driven company. Our success is based on the ingenuity, devotion and hard work of more than 1000 men and women around the world. By listening to customers and creating leading solutions, they keep NDS in its position of world leader with a world vision.



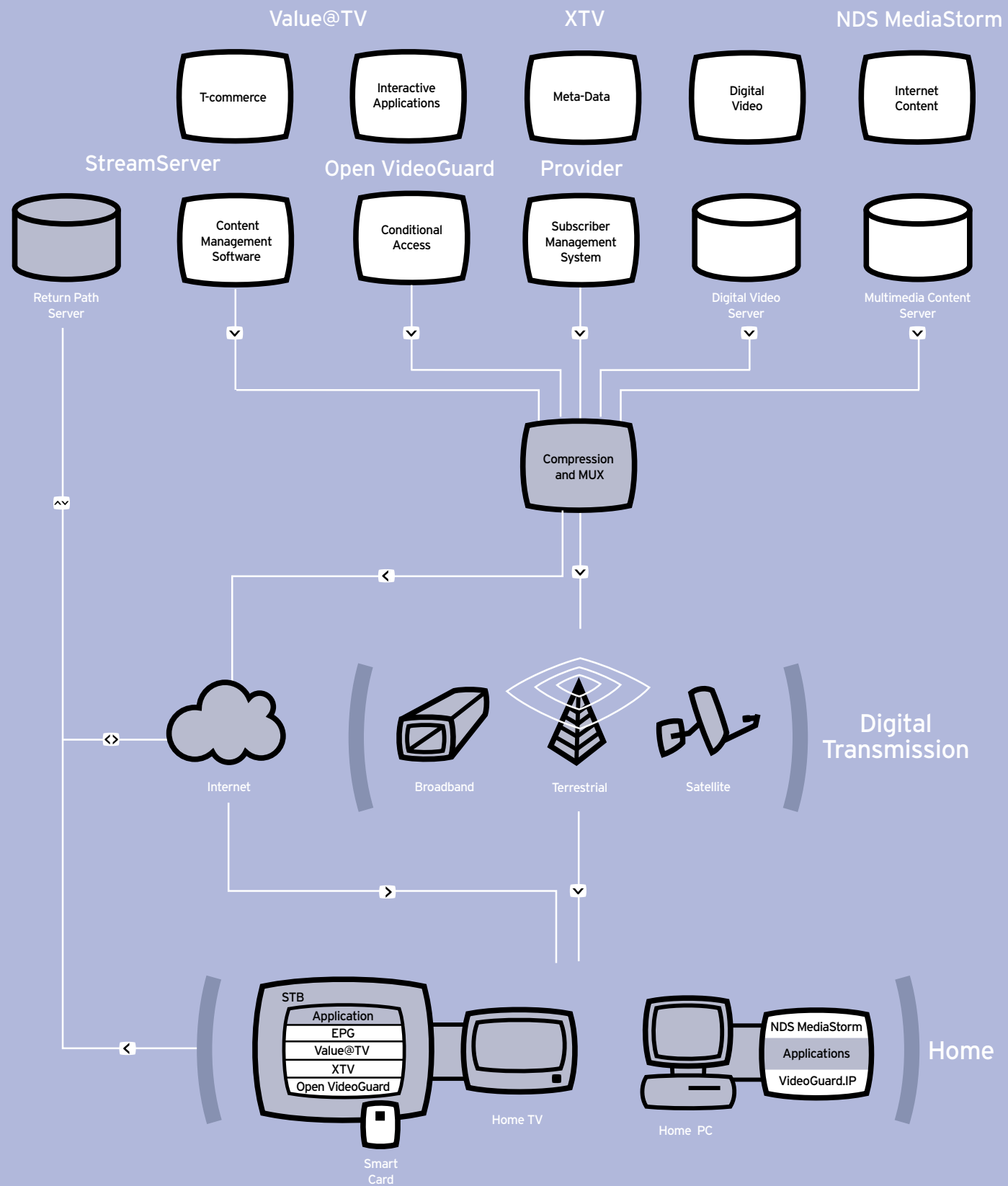


Partners - Succeeding Together

NDS works with many of the world's leading companies to deliver the open solutions that our customers want. Thanks to our experience integrating more than 40% of the world's digital Pay TV systems, NDS can deliver the right solution to meet your business needs. NDS has already integrated products, software and applications with the leading providers of middleware, headend compression, scheduling, subscriber management, playout systems and more than 30 set-top box manufacturers. This dedication to open solutions saves customers time and money and significantly reduces time to launch of service.



NDS Solutions



The world of NDS

Welcome to the new world of interactive digital TV, the world of NDS. NDS offers solutions for broadband, digital cable, digital terrestrial, datacasting and digital satellite delivery.

Value@TV - Exciting interactive TV applications

XTV - More than a PVR (Personal Video Recorder), the personal TV solution that works for broadcasters, content providers and network operators

NDS MediaStorm - Datacasting streaming video, data and voice to PCs, TVs, personal devices and inflight entertainment systems

StreamServer - End-to-end digital broadcasting system management

Open VideoGuard - Conditional access used by more than 19 million people worldwide

VideoGuard.IP - IP multicast security solution

Provider - Customer care and management software for digital broadcasters

Synamedia - Secure high quality broadcasting to homes across DSL and other broadband platforms

NDS' open solutions integrate with leading industry partners for billing systems, compression, content management, middleware, VOD, traffic scheduling and set-top boxes.