

# CANAL+ GROUP FILES LAWSUIT AGAINST NDS TO RECOVER FOR ACTS OF UNFAIR COMPETITION

## NDS's Actions Designed to Eliminate Competition in Digital Television Market

CUPERTINO, Calif.; PARIS, March 12, 2002 – Canal+ Group, a division of Vivendi Universal (NYSE: V; Paris Bourse: EX FP) and its subsidiaries, Canal+ Technologies S.A. and Canal+ Technologies, Inc. ("Canal+"), today announced that they have filed a lawsuit against NDS Group plc (Nasdaq/Nasdaq Europe: NNDS), a company controlled by News Corporation Ltd. (NYSE: NWS). Canal+'s Complaint, filed in the U.S. District Court for the Northern District Court of California, alleges that NDS engaged in a conspiracy to harm Canal+'s competitive position in the digital television market.

Canal+ alleges that NDS illegally attacked Canal+ Technologies' previously unbroken security system that had been developed to ensure that only authorized customers have access to digital television signals. NDS spent large amounts of money and resources to extract the code from Canal+'s digital TV smart card, and then provided the code to a Web site frequented by counterfeiters. After the code was published on the Internet, criminal organizations flooded the market with counterfeit cards.

Canal+ estimates that NDS's actions have harmed Canal+ in excess of \$1 billion. Canal+'s Complaint alleges violations of The Racketeer Influenced and Corrupt Organizations Act, The Copyright Act, the California Unfair Competition statute, and other violations of tort law.

"The future of digital television depends on the industry working together to combat signal theft and to protect the integrity of distribution systems," said François Carayol, Executive Vice President of Canal+ Group and Chairman and Chief Executive Officer of Canal+ Technologies. "No person or company is above the law and we intend to see the law applied to halt NDS's illegal actions. We hope that NDS will immediately stop this unlawful and anti-competitive activity."

## **About Digital TV Smart Cards**

A smart card is an essential component of a conditional access system, which protects digital TV signals from unauthorized viewing. A smart card, inserted into a digital set-top box, determines whether a subscriber has permission to watch a particular broadcast.

#### **About Canal+ Group and Canal+ Technologies**

CANAL+ Group, the European TV & Film division of Vivendi Universal, is an industry leader in the production and distribution of premium and thematic pay-TV channels and interactive TV services, in the production and distribution of movies and TV programs, in digital television technologies, sports rights marketing and Internet content. CANAL+ Group counted 15.9 million subscriptions to its premium television channels and digital television cable and satellite platforms at the end of 2001. Digital individual subscribers totaled 6.1 million. CANAL+ Group operates these services in 11 European countries.

CANAL+ TECHNOLOGIES, a subsidiary of CANAL+ Group, is a leading international provider of digital and interactive TV software solutions with more than 12.5 million set-top boxes powered by its software. More than 20 digital operators and broadcasters worldwide have deployed its

interactive TV middleware MEDIAHIGHWAY™, and conditional access system, MEDIAGUARD™, including all of the CANAL+ Group platforms in Europe and other operators such as WINfirst in the U.S.A., ITV Digital in the U.K., Astro Measat and ZeeTV in Asia, and Orbit in the Middle-East. The U.S. subsidiary, CANAL+ TECHNOLOGIES, Inc., is headquartered in Cupertino, Calif.

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