



Press Release

Latens and ZyXEL Partner to Offer IPTV Operators a Flexible CA Security and STB Solution

Latens' market leading content and revenue protection systems integrated with ZyXEL IPTV STB/PVR

Belfast, UK, & Hsinchu, Taiwan, June 3 2008 – Latens, a market leader in software conditional access and service delivery platforms for Pay-TV operators, and ZyXEL Communications, the leading provider of complete end-to-end broadband access solutions for service providers, businesses and home users, today announced that the two companies have partnered to offer low-cost, highly secure IP/hybrid set-top box (STB) solutions. The integration ensures that the ZyXEL STB-1003 and STB-1001H benefit from Latens' pioneering content and revenue security solutions, enabling IPTV operators to simplify the launch of advanced IPTV services.

Latens and ZyXEL have worked together to ensure an efficient and tight integration of Latens' CA solutions with the flexible and powerful STB-1000 series. Both the ZyXEL STB-1003 and STB-1001H offer IP video services, including SD and HD, video on-demand and IPTV, based on MPEG-4 AVC/H.264 compression technology to reach a wider audience, achieve a higher density of service and increase bandwidth efficiency. With Latens CA integrated into the boxes, content owners are assured that any IPTV operator utilizing the STB-1003 or the STB-1001H can provide the very highest levels of security against piracy.

“The integration of Latens CA with ZyXEL's STB-1003 and STB-1001H devices enhances the abilities to provide IPTV operators with a highly secure, flexible platform on which to deploy advanced services both now and in the future,” said Dr. Herman Chen, Assistant VP of IPAV product division at ZyXEL Communications. “This partnership enables us to provide operators with an STB that can offer industry leading levels of content and revenue protection and can support all IPTV business models, however complex. Furthermore, Latens' solutions allow the operator to upgrade and develop its offering in the future without causing disruption to existing services, leading to increased QoS levels and improved subscriber experience.”

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Latens downloadable CAS provides:

- A dynamic, pure software solution which replaces the proprietary smartcards or static hardware/software combinations of traditional CAS vendors with innovative Secure Software Modules. This approach provides an operator with superior levels of conditional access security, previously impossible hack recovery and anti-piracy features
- A distributed, highly resilient architecture that scales technically and cost-effectively, allowing operators to start with a modest investment, and grow to their maximum potential
- The flexibility to support the diverse range of business models encountered in the IPTV market
- A proven solution, already deployed in commercial IPTV services over xDSL and FTTH networks and trusted by the world's leading content providers to deliver their valuable assets securely.

To speed the integration, ZyXEL utilized Latens STIK (Set-Top Box Integration Kit). Latens STIK is a toolkit which ensures swift and easy integration and licensing of Latens CA for STB vendors. It provides a step by step integration process including example code, automated test suite and the option of initial self certification. It includes a secure stream player tool to ensure full operational integrity following upgrades of CA and STB software for IP and cable (and hybrid cable/IP) boxes, verifying correct operation of DVB CSA and AES descrambling.

“We are delighted to have formed this partnership. It enables ZyXEL to provide a robustly secure set-top box with the power and flexibility to ensure that operators can launch IPTV services that scale efficiently in terms of customer-base, complexity and breadth of service offering,” said Jean-Paul Heron, Client Integrations Manager, Latens. “The integration was made far simpler through the utilization of our new toolkit, Latens STIK. The advantages of STIK do not end at integration; STIK also makes it much simpler for Latens and ZyXEL to control and upgrade security and other STB functionality. I am very confident that Latens will enjoy a close partnership with ZyXEL, providing IPTV operators with secured STBs, both now and in the future.”

About ZyXEL Communications

ZyXEL Communications Corp. (TSE: 2391), headquartered in Hsinchu, Taiwan, is the world's leading end-to-end network solution provider and was recently ranked as Taiwan's First "Green Enterprise," and the second best "Green" Company in Asia (2007 CG watch, Asian Corporate Governance Association). ZyXEL's comprehensive Internet Protocol-based (IP) networking solutions include access multiplexers, customer premise equipment, Internet security and Wireless LAN equipment, enabling high-performance network services for SOHO, small to mid-sized businesses and service providers. ZyXEL works closely with worldwide network equipment vendors, telecommunications companies, ISPs, and other major businesses. For more information, visit the company's website at www.zyxel.com

About Latens Systems

Latens designs, creates and deploys industry-leading software solutions to enable Pay-TV and IPTV operators to secure content, protect revenues and operate more efficiently. Latens' pioneering design of downloadable, software based Conditional Access Systems is based on the company's patented Secure Software Module technology and management systems, which ensure that all Pay-TV and IPTV operators can now cost-effectively maximize security. Latens also designs software components that interoperate with Latens Conditional Access Systems to increase an operator's flexibility and efficiency while simplifying the launch of new revenue generating services, such as VOD, PVR and network PVR. For more information, please visit: **www.latens.com**

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