



STATEMENT

Wednesday March 28, 2012

News Limited response to the piece by Neil Chenoweth in today's Australian Financial Review about News Corporation and NDS

The story is full of factual inaccuracies, flawed references, fanciful conclusions and baseless accusations which have been disproved in overseas courts.

For example, the notion that alleged NDS actions in Australia were done to undermine Austar so that FOXTEL could bid for it 13 years later are so far-fetched as to be laughable.

The United States Department of Justice, a federal court jury and a federal appellate court have all rejected allegations that NDS was either responsible for TV piracy or for distributing codes to facilitate piracy. Moreover, the United States Court ordered NDS's accuser to pay \$19m to cover NDS's legal fees and costs.

Furthermore, the AFR has been selective in its reporting that NDS "mounted" a baseless campaign against Swiss hacker Jan Saggiori to "silence" him. The only lawsuit that NDS mounted against Saggiori was a lawsuit by DirecTV and NDS designed to protect their intellectual property and stop piracy.

Saggiori admitted, under cross examination, hacking several NDS pay-TV card systems. DirecTV and NDS had taken action against him, along with several others, for assisting in hacking DirecTV's system. Saggiori admitted his role in that plot, and DirecTV and NDS obtained a permanent injunction in that lawsuit.

News Limited and FOXTEL have spent considerable resources fighting piracy in Australia. It is ironic and deeply frustrating that we should be drawn into a story concerning the facilitation of piracy.

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