

Netgem Announces Third-quarter 2009 Revenue

Paris, France. October 14th, 2009. Netgem (www.netgem.com), the leading IPTV set-top box manufacturer and software developer has today announced its third-quarter results for 2009.

Revenue

Netgem reported consolidated revenue of €34.1 million for the quarter ended 30 September 2009, taking the nine-month figure to €111.9 million, an 83% advance on the same period in 2008.

<i>IFRS data in € million</i>	Quarter			Full Year		
	Q3 2009	Q3 2008	Ch. 09/08	Nine months 2009	Nine months 2008	Ch. 09/08
Technology solutions	30.6	17.7	+12.9	100.9	55.5	+45.4
Content and services	3.5	2.2	+73%	11.0	5.8	+82%
Total revenue	34.1	19.9	+59%	111.9	61.3	+90%
			+14.2			+50.6
			+71%			+83%
France	32.7	18.8	+13.9	109.7	570.5	+52.2
International	1.4	1.1	+74%	2.2	30.8	+91%
			+0.3			-1.6
			+27%			42%

Information by business

Technology Solutions (Netgem): revenue from the Group's technology business line totalled €100.9 million at 30 September 2009, or an 82% increase, thanks mainly to growth in sales volumes of set-top boxes on the French market.

Content and Services (VideoFutur): cumulative revenue in the Content and Service business line equalled €11 million at end-September this year, representing 90% growth with 2008's changes in scope.

Group Strategy and Outlook

The full-year Group revenue figure should come to at least €140 million, equalling a 40% expansion against 2008.

Technology Business Line:

In an international telecom market that understands the strategic interest of IPTV, plus growing consumer demand for new forms of home entertainment, the Company is now beginning to harvest the first fruits of its international development efforts in its technology core business. It is confident of recording a significant expansion in the non-SFR share of its activity in the months ahead. For this purpose, it intends to strengthen its pure-play positioning among telecom operators and to capitalise on its unique experience acquired on the French market, the world leader in IPTV.

Content and Services Business Line:

In this favourable context, to support the sales approach described previously, the Group has extended the strategic deliberations announced in previous press releases and given Oddo Corporate Finance a mandate for the strategic organisation of its development. A separate listing solution for its Content and Services business line is currently being analysed and could be subject to consultation with Netgem's shareholders in a meeting.

General Description of Financial Situation and Results

Considering the favourable performance of its activities in the period, the Group is continuing to strengthen its financial situation, characterised by a large amount of cash.

Significant Operations and Events

The Group did not experience any change in its scope of consolidation in the quarter elapsed.

About Netgem

Netgem is a pure-play provider of innovative IPTV solutions (software and hardware) for telecom operators. Combining a unique TV and telecom expertise, Netgem has been instrumental in the successful rollout of IPTV in the French market, with 2 millions homes active. Netgem is listed on Compartment C of Eurolist–Euronext Paris. ISIN code: FR0004154060, Reuters code: ETGM.PA, Bloomberg code: NTG FP 7537/ www.netgem.com

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