



## Netgem Announces First-half 2010 Revenue

**Paris, France. July 8th, 2010.** Netgem ([www.netgem.com](http://www.netgem.com)) announces first half 2010 revenue and business update.

- Netgem has announced consolidated revenue of €74.3 million in the six months ended June 30<sup>th</sup>, 2010, up 6% on a like-for-like basis.
- The Group's first deliveries in Australia, Algeria, Malta and Monaco contributed to a substantial upswing in *sales excluding SFR*, rising from €1.3 million in H1 2009 to €12.5 million in H1 2010 (x 9.7). The Group has made this indicator the key measure of its performance in 2010.
- Deliveries to SFR not surprisingly reflect the maturity of the French market.

### Comments on the Group's strategy

These results show the soundness of the strategy of refocusing on the core business and the international expansion undertaken last year. The Group plans to push forward with and intensify this strategy.

### General description of the financial position and results

The Group's very positive financial position, combined with a cash generating business model, mean that it is possible to finance this strategy, while maintaining a strong dividend policy: €0.10 per share in 2009, €0.11 in 2010 and an extraordinary cash dividend of €0.70 at the start of the year.

### Operations and highlights

The past half was marked by:

- The deconsolidation of the Content and Services businesses merged into VideoFutur, following the distribution in January 2010 to Netgem shareholders of an extraordinary dividend consisting of VideoFutur shares;
- The setting up in March 2010 of Netgem Australia, a wholly owned subsidiary of Netgem SA, the purpose of which is to support Telstra with the roll-out of its IPTV offering, providing it with a tailored set of support and development services.

Figures in million Euros IFRS (*)	Q2 2010				6 month 2010			
	Q2 2010	Q2 2009	Change		6 month 2010	6 month 2009	Change	
<b>Like-for-like revenues (**)</b>	<b>27.4</b>	<b>36.5</b>	<b>-9.1</b>	<b>-25%</b>	<b>74.3</b>	<b>70.3</b>	<b>+4.0</b>	<b>+6%</b>
- France	18.7	36.1	-17.4	-48%	62.0	69.5	-7.5	-11%
- International	8.7	0.4	+8.3	+944%	12.3	0.8	+11.5	+1442%

(\*) Rounded and changes calculated on the basis of thousands of Euros

(\*\*) Adjusted for the contribution of the VideoFutur division, which was deconsolidated in January 2010

## **About Netgem**

Netgem enables operators to deliver branded connected entertainment in the digital home, enriching the broadcast TV experience with the power of the Internet. Installed in over 2.5 million homes around the world, Netgem is among the top 10 most deployed Hybrid Set Top Box solutions worldwide. Netgem customers include: SFR, Telstra, Monaco Telecom, Elisa in Finland, Spec-Com for Algeria Telecom, Melita Telecom in Malta and FetchTV in the UK. Netgem is listed on Compartment C of Euronext Paris Eurolist (ISIN code: FR0004154060, Reuters code: ETGM.PA, Bloomberg code: NTG FP 7537). [www.netgem.com](http://www.netgem.com)  
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