

## Netgem renews its contract with SFR for 3 years

**Neuilly-sur-Seine, June 9th, 2011** – Netgem, a leader in connected home technologies and solutions, today announced it is extending and strengthening its existing contract with French telecoms operator SFR until June 30<sup>th</sup> 2014.

This agreement encompasses all aspects of the historical relationship between the two companies and covers hardware, software, maintenance and services.

This contract highlights an evolution of Netgem relationship with SFR with a bigger weight to “Software & Services” providing more recurring revenue to Netgem.

The new agreement will be put into place before the current one ends. As a consequence, Netgem’s set-top-box revenue, starting this quarter, will be lower than those set out in the previous contract but SFR’s projected contributions to Netgem’s gross margin in value for the year will be higher.

Within the new terms of the partnership, Netgem will provide SFR with innovative applications for its installed customer base of around 3 million.

Christophe Aulnette, CEO of Netgem, said: “I am delighted to see our cooperation with SFR extended and to materialize the evolution of our business model mix towards “Software and Services”. It is with enthusiasm that Netgem teams will focus on helping SFR in the successful development of one of the largest IPTV installed base in the world.”

**-Ends-**

### About Netgem

Leader of IPTV, Netgem provides its technology and solutions to telecom operators enabling them to add value and services to their broadband offerings in a challenging multimedia and multi-screens environment. Based upon Netgem’s hardware and software technologies, operators are able to develop innovative convergent services and a unique broadcast TV experience, enriched by the power of Internet. Netgem is present in more than ten countries around the world with an install base of more than 3 million. Netgem is listed on Compartment C of Euronext Paris Eurolist.

Website : [www.netgem.com](http://www.netgem.com) Twitter <http://www.twitter.com/netgem/>

ISIN : **FR0004154060**, Reuters : **ETGM.PA**, Bloomberg : **NTG FP**

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### About SFR

Société Française du Radiotéléphone (SFR) is a telecommunication company. The company designs, builds and operates telephone systems for fixed and mobile phones, designs, builds, commercializes, and operates any system, equipment, services or networks in relation to voice and data transmission in France. SFR also operates fixed and fibre-to-the-home network and systems. [www.sfr.fr](http://www.sfr.fr)



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