

Netgem expands into the Mobility market

Neuilly-sur-Seine, June 18th, 2012 - Netgem announces its acquisition of PlugnSurf. An innovative company founded in 2009 in Paris, PlugnSurf has developed and marketed the WOBE™, the first mobile connectivity device to incorporate a patented technology for automatic off-loading between mobile data (3G/4G) and WiFi networks.

The integration of PlugnSurf will expand Netgem's existing product offer. It will allow Netgem to help telecom operators optimize their massive investments in mobile data networks. The innovative WiFi off-load technology mastered and patented by PlugnSurf is essential to alleviate the growing congestion on mobile networks, particularly for video streaming.

The acquisition of PlugnSurf is in line with Netgem's international development plan. It will allow Netgem to consolidate its relationship with customers and to develop new business, particularly with mobile operators seeking to differentiate themselves with new and innovative services due to increased competition in their core business.

Netgem will finance this transaction on its own balance sheet.

Christophe Aulnette, CEO of Netgem, says: "With the acquisition of PlugnSurf, we welcome a dynamic and experienced team, with first-hand knowledge of the needs and expectations of mobile operators. This team has developed and brought to market with limited resources an innovative solution which is a natural extension of our offer to telecom operators".

David Remaud, co-founder of PlugnSurf, says: "By joining Netgem, we will benefit from extended resources and additional legitimacy to serve the main global mobile operators, right at a time when mobile data consumption is skyrocketing and the need for our technology is becoming acute".

Outlook, financial situation and results

Netgem continues to develop profitably, retains a significant capacity to make investments and maintains its objective to double its international revenue by the end of 2014.

Financial calendar (subject to possible changes):

- H1 results and revenue: week of July 23rd, 2012

About Netgem: Netgem provides Connected Home Entertainment Solutions to Multiservice Operators to help them strengthen their end-customer relationship and drive revenue growth. 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 twelve countries around the world with an installed base of more than 4 million. Netgem is listed on Compartment C of NYSE Euronext Paris.

Website: www.netgem.com - Twitter account: @Netgem - ISIN : **FR0004154060**, Reuters : **ETGM.PA**, Bloomberg : **NTG FP**

About PlugnSurf: PlugnSurf is a company founded in 2009 by David Remaud and Yann Lopez. It is specialized in telecommunication and information technologies. It has developed the WOBE™, a unique and patented 3G/4G mobile hot spot solution. The entrepreneurial and innovative qualities of PlugnSurf's development was recognized by the Scientipôle Initiative label and the Prize for Innovation of the City of Paris. PlugnSurf is a member of OSEO Excellence, a network of the 2,000 most talented entrepreneurs nation-wide.