

First quarter 2011 Revenues Dividend to be increased

Neuilly-sur-Seine, April 11, 2011 – Netgem (NTG), an IPTV technology leader, today announced its Q1 2011 revenues.

Revenues and activity

Netgem generated consolidated revenues of € 25.7 million, of which around 47% from international sales for the quarter ending March 31st, 2011. As a reminder, the 2010 first quarter sales of € 46.9 million included the one-off payment from SFR for the software license granted in January 2010.

IFRS data in €M	Q1 2011	Q1 2010	Change	
Revenues	25.7	46.9	- 21.2	-45%
France	13.7	43.3	- 29.6	-68%
International	12.0	3.6	8.4	x 3.3

Over the quarter, Netgem has:

- Launched its Software Development Kit (SDK) to accelerate the development of new applications and services through a larger network of ecosystem partners.
- Broadened its offering with off-the-shelf IPTV solutions for Tier 2 – Tier 3 operators, allowing shorter time-to-market and lower investment costs;
- Announced the development of its next generation software framework on the Intel Atom CE 4200 processor.

Netgem has continued its international expansion with four additional operators:

- Netplus.ch, a group representing five Cable TV operators in Switzerland, for which Netgem will deploy new innovative IPTV services in Q42011, including PVR, VOD and nonlinear multimedia content ;
- H1 Telekom, a Croatia-based telecom operator ;
- A Latin American operator and another European operator.

Financial situation and results

The Group continues to develop profitably, with a high potential for investment.

Operations and key events

The Group consolidated perimeter did not change during the quarter.



Dividend Policy

Based on the Group's results in 2010 and its financial situation, the Board will propose to raise the dividend per share to € 0.12, an increase of 9% compared to the 2009 dividend, at the General Shareholders Meeting, which is scheduled for June 9th, 2011.

Financial Calendar (subject to possible changes)

- General Shareholders Meeting: June 9th, 2011 (La Défense, Paris)
- Q2 2011 Revenues: Week of July 11th, 2011
- H1 2011 Results: Week of August 29th 2011
- Q3 2011 Revenues: Week of October 10th, 2011
- Q4 2011 Revenues: Week of January 9th, 2012

About Netgem

Leader of IPTV technologies, 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 Twitter <http://www.twitter.com/netgem/>

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

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