



Revenue for the third quarter 2014 and outlook

Neuilly-sur-Seine, October 8, 2014

Consolidated revenue

In € million	Q3 2014	Q3 2013	Change	9 months 2014	9 months 2013	Change
Revenue	20.5	24.2	-15%	58.3	57.9	1%
of which Netgem TV	9.1	10.6	-14%	27.0	25.7	+ 5%
of which NetBox	11.4	13.6	-16%	31.3	32.2	-3%

For the quarter ended September 30, 2014, Netgem announces a consolidated revenue of € 20.5 million, bringing the consolidated revenue for the first 9 months of 2014 to € 58,3 million, stable compared to the same period in 2013.

Business activity and outlook

The Group is releasing two new commercial wins:

- EE, the leading mobile operator in the UK, today announced the launch of EE TV, the first multi-screen TV offering (TV, tablet and smartphone) that combines the best of live TV (70 "Freeview" channels) and recorded content (24-hour replay, catch-up and on-demand channels). EE TV is provided by Netgem TV as a TV as a service offer. The EE TV smart box will be free for all EE mobile customers who sign up to an EE Broadband plan. Eligible plans start from just £9.95 per month and include free weekend calls and unlimited Broadband with speeds of up to 17Mbps;
- Sri Lanka Telecom, the fixed line incumbent operator in SriLanka, is deploying the first IPTV offer in the country, PEO TV, which incorporates bouquets of HD channels, catch-up TV, VOD, games and e-learning, etc. The TV service will be available on ADSL and on fibre optic lines starting from € 5.00 per month.

Furthermore, the Group confirms the sharp drop of its shipments to Australia in the second half of 2014 and does not anticipate any activity there in 2015 other than the maintenance of the existing park. In this context, the Group is adjusting its cost structure in accordance with the evolution of its markets.

Pro Forma Figures

Pro forma figures below include VideoFutur since 1 January 2013 (whereas consolidated figures only include Videofutur since April 1, 2013.)

In € millions	9 months 2014	9 months 2013	Change
Revenue	58.3	59.8	3%

Significant events and transactions

Since the beginning of 2014, the Group purchased 548,000 of its own shares at a price of approximately € 2.3, for about € 1.3 million in total. The Group owns approximately 1.7 million of its own shares as treasury shares or about 4.2% of its capital.

Calendar of Financial Communication

- Revenue for the 4th quarter of 2014: Week of January 12, 2015

About Netgem

Netgem is a provider of solutions and services for video entertainment in the connected home.

Combining proven technology assets and expertise in content and new uses on all screens, Netgem's offers enable multi-service operators around the world to enhance and enrich the relationship with their subscribers. Netgem is present in Europe, Asia and South America with over 4 million active households worldwide. Netgem is listed on NYSE Euronext Paris, Compartment C (ISIN: **FR0004154060**, Reuters: **ETGM.PA**, Bloomberg: **NTG FP**)

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