

FINANCIAL RESULTATS 2008

NET INCOME : +0.2 M€

IFRS (in euro millions)	2008	2007
Revenues	17.8	19.1
Cost of Goods Sold	-2.3	-2.7
Gross Margin	15.5	16.4
<i>Gross Margin rate</i>	<i>87%</i>	<i>86%</i>
Staff costs	-6.7	-7.9
Other operating costs	-6.3	-5.9
Depreciation and Amortization	-2.4	-1.8
Operating result before non recurring items	0.0	0.8
Restructuring	-0.1	-0.1
Goodwill Depreciation	-0.2	-2.2
Operating result	-0.3	-1.6
Financial income	0.0	-0.4
Income Tax	0.5	-0.4
Net Income	0.2	-2.3

Paris, April 28th 2009 – Dalet consolidated revenues for 2008 were €17.8 million, compared to €19.1 M€ in 2007. On a pro-forma basis, excluding the 2007 revenues related to the OpenMedia activity which was sold, revenues were up by 10%.

Gross margin (revenues minus costs of goods sold) for the year was €15.5 million vs. €16.4 million in 2007, gross margin rate increased slightly to 87%.

The sales mix improved as license revenues increased from 31% of sales to 37%, associated professional services went from 26% to 24%, resale of hardware dropped from 21% to 18%, recurring support revenues remained stable at 22% of revenues.

Significant increase in US sales: +84%

In terms of geographical breakdown of revenues, Europe represented 53% of sales, Americas 27%, Asia-Pacific 8%, Africa-Middle East 12%.

US sales increased sharply (+84% in Euros, +96% in US Dollars). This growth is mainly driven by sales on the US TV market. Among the recent contract wins with prestigious US customers are two projects with entities from the FOX Group. FOX Network Engineering & Operations deployed Dalet Enterprise Edition for the production of highlights, packages, and program teasers for the US most highly watched sports programs; Major League Baseball (MLB), NASCAR, College Football (NCAA), and the National Football League (NFL). In addition SPEED which is part of Fox Networks Group, has successfully deployed Dalet Enterprise Edition to manage its HD content and production workflows. The North Carolina based SPEED operation is responsible for producing a wide range of motorsports programs and specials including the highly popular “The Speed Report” and “Wind Tunnel”. The innovative workflow at SPEED represents one of the few end-to-end installations producing HD programs using a variety of broadcast and open IT systems.

Improved net result

In terms of operating expenses, depreciation and amortization increased from €1.8 million to €2.4 million, of which €2.3 million related to the amortization of capitalized software development direct employee costs (IAS 38 standard). It should also be noted that whereas the capitalization of development costs less accumulated

amortization had generated an operating profit of €0.7 million in 2007, this amount is reduced to €0.2 million in 2008, as the capitalized amount and accumulated amortization nearly balance.

Operating result before non recurring items was slightly above breakeven (in fact +€0.03 million), compared to €0.8 million for 2007.

Non recurring operational costs were comprised of two items: depreciation of long term assets of €0.2 million (non cash item) related to the value of the goodwill of the German subsidiary after the asset sale of January 2008, and restructuring costs for €0.1 million.

This resulted in an operating loss of €0.3 million, compared to a loss of €1.6 million in 2007.

Due to a positive impact of deferred tax adjustments for an amount of €0.5 million, Net Income for 2008 was €0.2 million, compared to a net loss of €2.3 million in 2007.

A solid financial structure

Net cash increased from €3.7 million on 12/31/07 to €4.2 million on 12/31/2008, with no debt.

David Lasry, CEO of Dalet, commenting on the figures released: « The growth in sales of our solutions for TV digital production, which represent now 70% of our revenues, coupled with a tight control of our expenses, allowed us to reach in 2008 a positive net income. We are pleased that our revenues in the USA have doubled in 2008, with new contracts signed with key references such as BBC NBC, Fox and Time Warner. They are among a growing number of broadcasters that are relying on Dalet solutions to provide rapid, cost-efficient production of content for delivery to multiple platforms (from web to HD) while streamlining their operations, an essential element in the current economic climate. Whereas the prospects for the European market in 2009 is uncertain, Dalet expects to continue its sales growth in the US market.

About Dalet Digital Media Systems

Dalet is a worldwide leader in software that empowers broadcasters and content professionals to produce and manage audio and video content in a digital, multi-platform world. Dalet media asset management (MAM) solutions streamline production costs and increase revenue opportunities by simplifying the distribution of rich-media assets across both interactive and traditional platforms.

Dalet tools are used around the world by thousands of content producers including major television and radio public broadcasters (BBC, CBC, DR, NPR, RFI, Russia Today, RTM, VOA, WDR), commercial networks (ART, eTV, FOX, Grupo Prisa, Prime Television, The Press Association, Warner Bros., XM Satellite) and government organizations (Queensland JAG, Canadian House of Commons, The European Commission).

Dalet is traded on the NYSE-EURONEXT stock exchange (Eurolist C): ISIN: FR0000076176, Bloomberg DLT:FP, Reuters: DALE.PA.

Number of outstanding shares: 17 526 364

For more information on Dalet, visit www.dalet.com

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DALET- SIMPLIFIED CONSOLIDATED BALANCE SHEET (IFRS- in euro millions)

	12/31/08	12/31/07
	12 months	12 months
Goodwill	0.2	0.4
Intangible assets	3.8	3.5
Tangible Assets	0.4	0.4
Restricted cash (over 12 months)	0.3	0.1
Other non current assets	0.6	0.4
TOTAL NON CURRENT ASSETS	5.2	4.8
Trade receivables	6.1	6.9
Other current assets	1.3	0.9
Cash and cash equivalents	4.2	3.7
TOTAL CURRENT ASSETS	11.6	11.5
Assets classified as held for sale		2.5
TOTAL ASSETS	16.8	18.9
SHAREHOLDERS' EQUITY	8.8	8.5
Long-term financial debt	0.0	0.1
Other non current liabilities	0.6	0.9
TOTAL NON CURRENT LIABILITIES	0.6	1.0
Short term financial debt	0.1	0.6
Trade payables	1.5	2.1
Liability for current tax	1.6	1.6
Other current liabilities	4.2	3.8
TOTAL CURRENT LIABILITIES	7.4	8.0
Liabilities classified as held for sale		1.3
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	16.8	18.9