

## CONSOLIDATED FULL YEAR RESULTS 2012

Neuilly-sur-Seine, March 26<sup>th</sup>, 2013

### Results and financial situation

Netgem's current operating profit for 2012 amounted to €12.3 million (-3% compared to 2011) or 15% of full-year revenue of €81.2 million (-4% compared to 2011).

Gross margin for 2012 amounted to €30.2 million (37% of revenue) as compared to €32.4 million in 2011 (38% of revenue).

Operating expenses decreased 9% to €17.9 million in 2012, compared to €19.8 million in 2011, while the number of active customers increased, reflecting the control over operational costs and risks without any impact on the R&D effort.

Netgem recorded a net profit of €9.3 million in 2012, which included a one-off loss of €0.8 million, financial products of €0.6 million and €2.8 million of corporate income tax. The Group's net cash position amounted to €55.2 million at the end of the year, up €5.2 million from the previous year-end, and included the payment for the acquisition of PlugnSurf, dividend payments (€4.8 million) and the repurchase of shares (€2.5 million).

Since its share-buyback program was activated at the end of 2011, the Group has bought back 1.7 million of its own shares, equivalent to 4.5% of its capital, of which 531,000 have been used for the free shares granted to employees.

### Strategy and outlook, operations and significant events

In France, Netgem has set itself the target of returning to growth by addressing the opportunity represented by connected television. The public tender offer on Videofutur fits into this approach.

At the international level, the Group will continue to support the deployment and penetration of its customers' offerings in their respective markets, notably by providing and integrating new services.

The Group has intensified its R&D effort in order to grow its range of products quickly, particularly in the areas of Internet access and multi-screen content distribution in the home.

### Financial Calendar (subject to possible changes)

- Result of the initial public tender offer on Videofutur : April 8<sup>th</sup>, 2013
- First Quarter 2013 Revenue: week of April 8<sup>th</sup>, 2013
- General shareholder's meeting : June 27<sup>th</sup>, 2013



## Selected financial information (Consolidated IFRS data, audited)

IFRS data, in million of euros	2012	2011	Change
<b>Revenue</b>	<b>81.2</b>	<b>84.7</b>	<b>-4%</b>
<b>Gross Margin</b>	<b>30.2</b>	<b>32.4</b>	<b>-7%</b>
<i>Gross Margin in % of revenue</i>	<i>37%</i>	<i>38%</i>	
<b>Current Operating Profit</b>	<b>12.3</b>	<b>12.6</b>	<b>-3%</b>
<i>Current Operating Profit in % of revenue</i>	<i>15%</i>	<i>15%</i>	
<b>Net profit, Group Share</b>	<b>9.3</b>	<b>10.7</b>	<b>-13%</b>
Net Profit, Group Share, per share (in €)	0.25	0.28	
Operating Cash flow (1)	12.1	11.2	
Cash flow linked to financing operations (2)	(6.9)	(4.5)	
<b>Net change to cash position</b>	<b>5.2</b>	<b>7.2</b>	

- (1) Operating cash flow includes net cash flow from operations and net cash flow from investments.  
 (2) Of which a €4.7 million cash dividend paid during the first half of 2011 and a €4.8 million cash dividend paid during the first half of 2012.

IFRS data, in million of euros	31/12/2012	31/12/2011
<b>Shareholder's Equity and Debt</b>		
Group shareholder's Equity	56.2	54.0
Current and non-current financial debt	0.3	-
<b>Analysis of net cash position</b>		
A. Cash & cash equivalents	55.2	50.0
B. Current financial debt	0.3	-
C. Current Net Cash (A)-(B)	54.9	50.0
D. Non-current financial debt	-	-
<b>E. Net cash position (C)+(D)</b>	<b>54.9</b>	<b>50.0</b>

### About Netgem

Netgem provides Connected Home Entertainment Solutions to Multiservice Operators to help them solidify end-user relationships and revenue growth. With Netgem's hardware and software technologies, operators are able to develop innovative convergent services and a unique TV experience enriched by the power of internet. Netgem is present in more than fifteen 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](http://www.netgem.com) Twitter <http://www.twitter.com/netgem/>

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

Investor contact : Charles-Henri Dutray, CFO  
 Tel: +33 (0) 1 55 62 55 62  
 Email : [chd@netgem.com](mailto:chd@netgem.com)

Press contact : Beatriz Ledesma, Netgem Communications  
 Tel: +33 6 25 69 22 44  
 Email : [ble@netgem.com](mailto:ble@netgem.com)