

Paris, 14 May 2019

CONTINUED GROWTH IN FIRST QUARTER 2019

IMPROVEMENT IN THE SALES MIX

COMMERCIAL GROSS MARGIN: +9%

(Unaudited) In € millions	Q1 2018	Q1 2019	Variation
Licences	2.9	3.0	+3%
Maintenance - Support	4.2	4.6	+10%
Total Software Revenues	7.0	7.5	+7%
Services	2.4	3.0	+23%
Hardware	2.1	1.2	-43%
Total revenues for the quarter	11.5	11.7	+2%
Commercial Gross Profit for the quarter	9.9	10.8	+9%
<i>Commercial Gross Margin rate</i>	<i>86%</i>	<i>93%</i>	<i>+7pts</i>

DALET, a leading provider of software solutions for the creation, management and distribution of multimedia content for broadcasters, operators and content producers, posted consolidated revenues (unaudited) of €11.7 million for the first quarter of 2019, up 2% from Q1-2018 revenues. Commercial gross profit (defined as sales minus cost of goods and third-party services resold) was up by 9% at €10.8 million or 93% of revenues over the first quarter of 2019, as against 86% for the same period in 2018 due to the more favorable sales mix.

More favorable sales mix in First quarter

Software revenues (comprising licenses and support revenues) were up by 7% at €7.5 million. Within software revenues, license sales were up 3% at €3 million, and the growth of the installed base continued feeding recurring support revenues, which were up 10% for the quarter at €4.6 million.

Overall revenues were bolstered by a 23% increase in Service revenues (integration, configuration and training professional services) at €3.0 million. Hardware resale, which is a non-strategic business for Dalet, decreased as planned to €1.2 million (-43%).

Revenues in the Americas zone stood at €4.9 million, up 5%. Revenues for Europe were down by 15% at €4.9 million (-11% excluding hardware resale), due to an unfavorable base effect related to last year's 14% growth in this region. Asia-Pacific revenues jumped over the quarter by 61% at €1.9 million, thanks to significant contract wins in Japan and Australia.

Outlook: confirmation of targets for continued growth of commercial gross profit and improved operating margins

DALET's activity is well in line with its business plan after this first quarter, thus allowing Dalet to confirm its targets for 2019 of continued growth of its commercial gross profit and of a current operating margin of 5 to 6%.

Next publication

Q2-2019 revenues on 24 July 2019 after the close of trading

About Dalet Digital Media Systems

Dalet solutions enable broadcasters and media professionals to create, manage and distribute content to both traditional and new media channels, including interactive TV, the Web and mobile networks. Dalet combines into a single system a robust and proven Asset Management platform with advanced metadata capabilities; a configurable workflow engine, and a comprehensive set of purpose-built creative and production tools. This integrated and open environment enables end-to-end management of the entire News and Sport and Program content chain, and allows users to significantly improve efficiency, and to maximize the use and value of their assets. Dalet's solutions are delivered through a dedicated Professional and Integration Services Department to ensure the highest possible standards.

Dalet systems are used around the world by many thousands of individual users at hundreds of TV and Radio content producers, including public broadcasters (ABS-CBN, BBC, CBC, DR, France TV, RAI, RFI, Russia Today, VOA), commercial networks and operators (Canal+, FOX, Euronews, MBC Dubai, MediaCorp, Mediaset, NBC Universal, Time Warner Cable, Warner Bros., SiriusXM) and government organizations (UK Parliament, NATO, United Nations, Veterans Affairs, NASA).

Dalet is traded on the NYSE-EURONEXT stock exchange (Eurolist C): ISIN: FR0011026749, Bloomberg DLT:FP, Reuters: DALE.PA. For more information on Dalet, visit www.dalet.com

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