Screen Service

Company Presentation

1Q 2010 Results

Agenda

- Company overview
- Screen Service: key differentiators
- Growth strategy – Opportunities
- 1Q 2010 Results

Screen Service Group

Digitalization around the world

- Global presence in the digitalization process thanks to our experience and R&D's know-how
- We are ready to catch the huge opportunities in Latin American market thanks to our Brazilian plant

Services

- Thanks to the RRD's ability, now we support Broadcasters and Telecom Operators in establishing their business
- We can offer a complete service portfolio (Network planning, system implementation, operation, procedures, implementation and on-going service monitoring)

Network Operator

- Benefit from digitalization and competitive industrial cost base advantage to become connectivity provider and network operator in Italian context
- Starting from own microwave backbone, Tivuitalia can build national DTT netwotk; it has right to transmit, has infrastructure and has expertise.

Small but Global

Strategies for growth: catching opportunities around the core

Core business

- Development of international markets and growth of distribution channels

- Technology advancement with new product introduction due to R&D activity

- Focus on supply chain and operations excellence

- Enhance planning and control

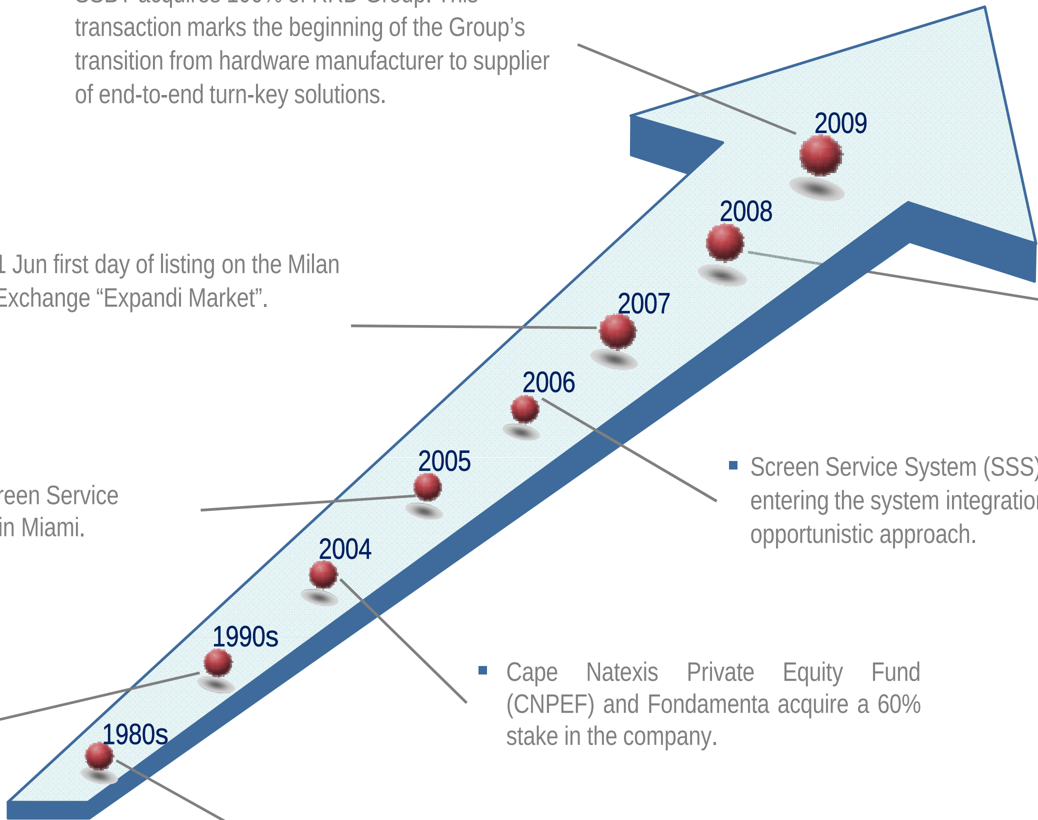
Opportunities

- Having a national digital network to enabling content provider to transmit own contents on DDT

- Leverage our know-how in addressable markets:
    - Military
    - Utilities
    - Public safety

Company Overview – Historical Milestones

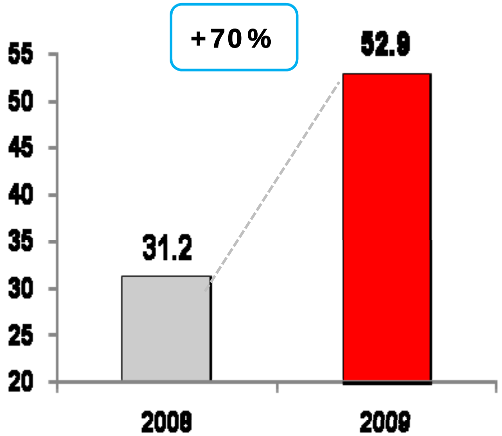
- SSBT acquires 100% of RRD Group. This transaction marks the beginning of the Group's transition from hardware manufacturer to supplier of end-to-end turn-key solutions.



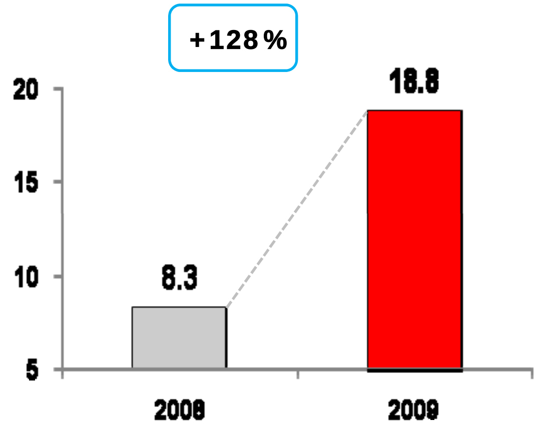
- Screen Service do Brasil (SSB) is incorporated in SSBT.
- IPO: 11 Jun first day of listing on the Milan Stock Exchange "Expandi Market".
- Record contract signed with RRD and Profit Group worth 14,5 million Euro.
- Screen Service System (SSS) is incorporated, entering the system integration business with an opportunistic approach.
- SSBT incorporates Screen Service America (SSA) based in Miami.
- Cape Natexis Private Equity Fund (CNPEF) and Fondamenta acquire a 60% stake in the company.
- Strategic partnership with M.B. International Srl.
- Screen Service Italia (SSI) was founded in Brescia.

FY 2009 Financial Highlights

Revenues



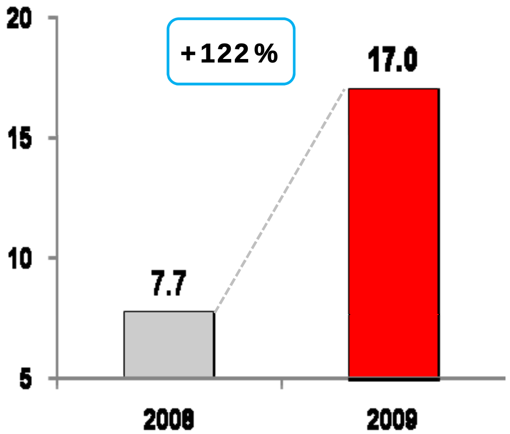
Ebitda



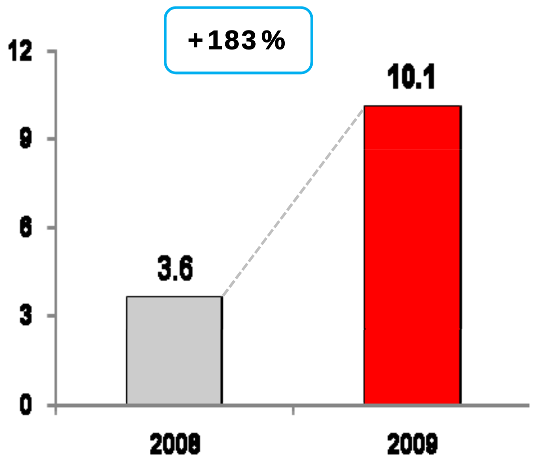
Ebitda Margin:

2009: 35.6%
2008: 26.5%

Ebit



Net Result



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Screen Service: key differentiators

Focus on R&D activities

- R&D staff: more than 30% of total group workforce
- Research teams (based in Brescia, Milano, Baranzate (MI) and Lamezia (CZ)) focuses into both basic and pre-competitive research on new technologies and solutions
- Research activity is key to future technologies and enables wide international partnership

Anticipate market needs

- Innovation activity aims to meet customer needs with a pro-active approach, anticipating their future needs

Faster-to-market with new technology

- Outsourcing of low-added value and labour intensive manufacturing processes
- High operational flexibility

New capabilities thanks to RRD integration

- SSB can leverage on RRD's experience to offer its customer best in class services as:
  - Head-end and Playout, Digital TV terrestrial network planning, Mobile TV business, Business Support System integration

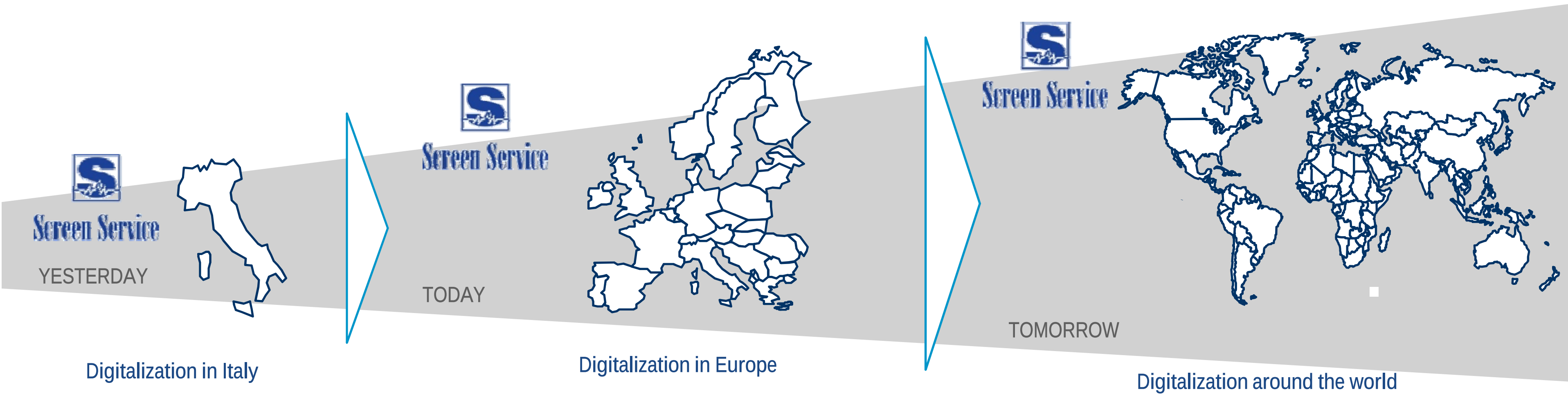
Screen Service: the New Paradigm

Digitalization around the world

Services

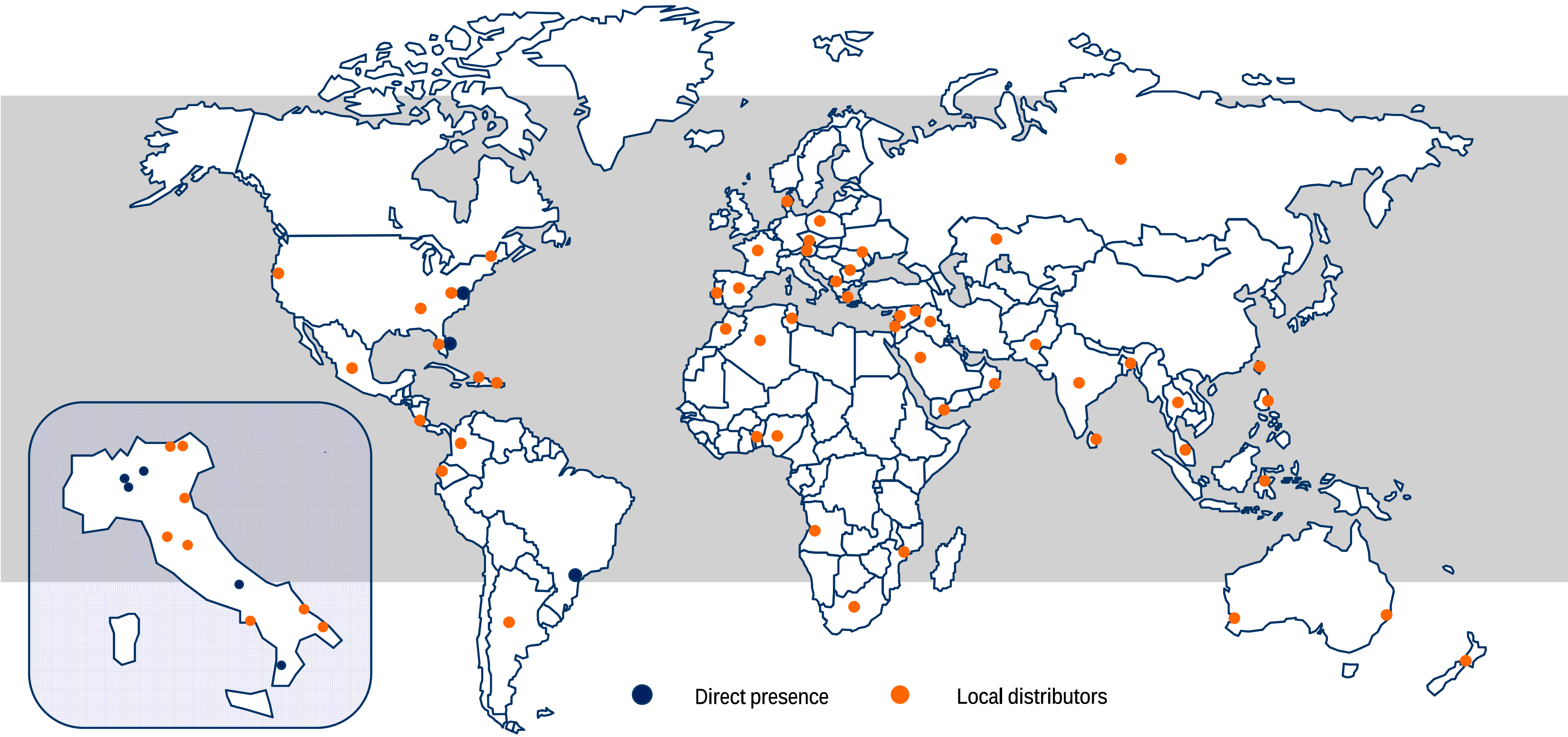
Network Operator

System, DVB-H, Network Operator and leverage RRD's know how in addressable markets.



Small but Global

Global positioning close to our customers.
Direct presence in strategic areas and a network of 48 local distributors



Screen Service

Customers

- Screen Service's **customers** are:
  - National TV broadcasting networks
  - Local TV broadcasters
  - System integrators
  - OEMs (Original Equipment Manufacturers)

- Screen Service is an **ideal partner** for clients providing solutions to their specific needs.

  We are binding partnerships by turning them into **long-term agreements** (ex. Arqiva, Nokia Siemens Networks, RaiWay Spa, etc.)

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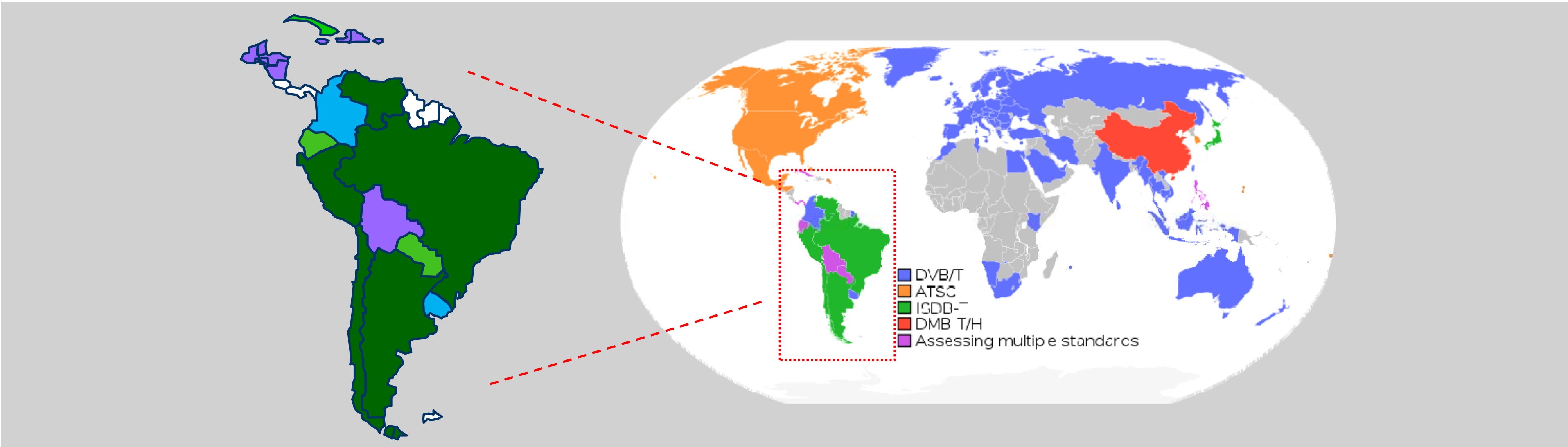
Screen Service

South American Market

Screen Service has been pioneering the **ISDB-T standard** which has been adopted in Brazil for terrestrial digital television transmission.

With Screen Service contribution, such standard is now becoming leader in the other South American countries.



Countries which have already chosen ISDB-T standard:

- Brasil
- Peru
- Argentina
- Chile
- Venezuela

Potential Countries which are moving to ISDB-T standard:

- Ecuador
- Paraguay
- Cuba
- El Salvador

Countries which are thinking to move to ISDB-T standard:

- Colombia
- Uruguay

Countries waiting for Venezuela and Cuba decision:

- Nicaragua
- Bolivia
- Honduras
- Caribbean isle

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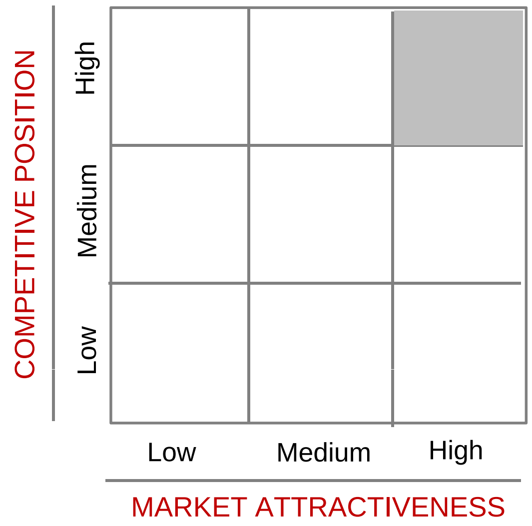
Brazilian market

Country Data		
Population	198.7	millions
Size	8.514K	Km^2
Density	22	inhabitants / Km^2
GDP	$1.993	Trillion (2008 est.)
GDP per capita	$10,200	(2008 est.)
Median age	28.6	years



Television Data		
N° of TV Sets	36.5	millions
N° of Towers	> 30K	
Digital standard	ISDB-T	
Switch-over launch	2007	
Switch-off	2016	

Telecom Data		
N° of mobile cell	150.6	millions
Density mobile cell	80%	
TV broadcast station	138	(1997)

Source: CIA World Factbook 2009

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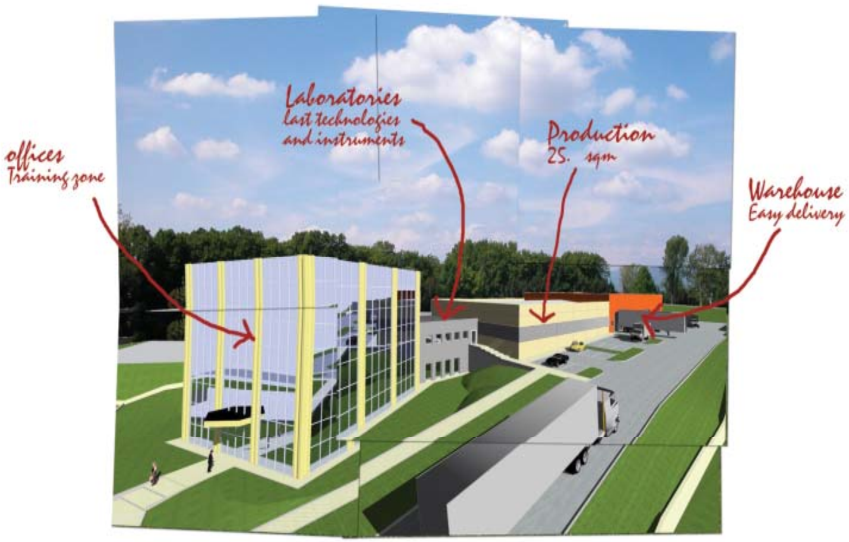
Brazilian market

Direct presence on the Opportunities

- We have erected an important technological and productive centre of over 4,000 square meters in Pouso Alegre, 180Km from Sao Paulo
- In October 2009 we launched production and assembly on-site of the equipment for the Brazilian and South American market.
- Direct presence enable Screen Service to maximize the cost benefit equation for its customers by creating direct tax benefits for them, while also ensuring high-quality post sales support and better customer service.



Screen Service do Brasil kick-off

In 2009 Screen Service Do Brasil Ltda has already signed 2 major contracts for the supply of ISDB-T digital transmission plants to Brazilian state broadcasters (TV Justicia and TV Camara).

Coming soon: worldwide events in Brasil

The 2014 FIFA World Cup will be the 20th World Cup, an international tournament for football, that is expected to take place between June and July 2014 in Brazil.

The 2016 Summer Olympics, officially known as the Games of the XXXI Olympiad, are a major international multi-sport event to be celebrated in the tradition of the Olympic Games.

Tivuitalia

Starting from a great assets

Current Tivuitalia's business model is based on "interchanging" audio and video for local broadcaster

- Analog microwave backbone (over 160 sites)
- TV licenses in 9 Italian regions: *Piemonte, Lombardia, Veneto, Toscana, Marche, Campania, Calabria, Friuli, Valle d'Aosta*

Digitalization and the changing competitive landscape might set Tivuitalia in a condition to exploit its capabilities and assets in a value-enhancing way by applying them to new contexts

Growth Strategy: Network Operator as business opportunity

Screen Service can benefit from digitalization and competitive industrial cost base advantage to become connectivity Provider and network operator in Italian context

	Leverage connectivity asset	Acquire/obtain frequencies
Strategic directions	▪ Digitalize analog microwave backbone to offer new services ▪ Increase capacity of 155MB when utilization level reaches maturity	▪ Acquire/access frequencies to broadcast on a national scale ▪ Acquire new group of customers
Value proposition	▪ Enable incumbents and local operator to transfer audio-, video, data-feeds across Italy ▪ Enable new entrants in Italian market to distribute content	▪ Low cost opportunity to enter Italian broadcasting market for a content provider ▪ Specialized operator in network business, no competitive conflict
	Connectivity Provider	Network Operator

Tivuitalia

Network Operator as business opportunity for Screen Service

Entry in Network Operator business will enable Tivuitalia to multiple revenues obtained from its assets

- Screen Service is in a unique position to benefit from digital to due its low industrial cost base
- The switch from analog to digital transmission requires new investments, which are fundamentally lower for Screen Service and lower operating costs, which will benefit Screen Service.
- Screen Service has advantage both on Capex and Opex

The challenge for Screen Service is to be owner of a MUX:

- Obtaining national license:
  Screen Service participates at the beauty contest for the digital dividend that will award 5 national mux for free.
- Aggregation of frequencies:
  Digitalizing the frequencies of local operator without any capital expenditure while Tivuitalia obtains in exchange the right to use (and rent out as a business) the bandwidth that local operators do not occupy.

Tivuitalia

Digitalization is a force of disruption: even in face of high entry barriers, there's expression of strong demand for transmission in Italian context

Even though there are high entry barriers

- Today the DTT Italian market is dominated by 3 network operators (RAI, Mediaset, Telecom Italia Media) that, at the same time, are also broadcasters
- They control DTT Multiplexers in Italy and have non interest to increase competition
- By law 40% of their capacity must be rented out to new entrants. A bid procedure lead by the Communication Regulatory Authority is ongoing

... increasing demand for DTT capacity

- AGCOM set to the rent of 40% transmission capacity in RAI (1 MUX), Mediaset (2 MUX), Telecom Italia (2 MUX)
- 15 Italian and foreign independent broadcasters have applied to the bid showing an existing demand for DTT capacity higher than the offered one

Darwin Program

A Value creation opportunity

Flexible multi-year contract with an all-in-one service fee

Recurring stream of revenues

- Network Digitalization
- Network's maintenance and management
- Variable fee according to the Client's financial capability, to the services provided and to the requested quality of the network (SLA)

Local/Small Broadcaster

Frequencies

Acquiring local frequencies to build a national network

- Network Digitalization
- Network's maintenance and management
- Rent roughly 22 Mb of the frequency band to third players

Around the core

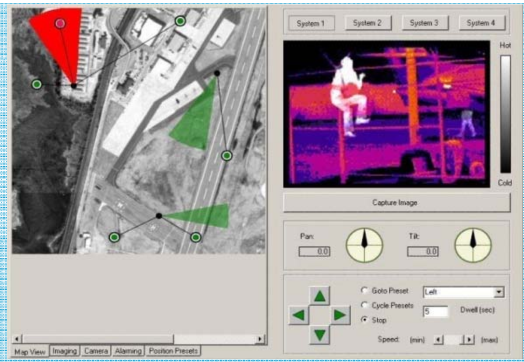
Screen Service leverages its experience and know-how in addressable markets

MILITARY

C4 Integration

SATELLITE FFEDES	STEADY CAM OPERATIONS	AIR MOUNT CAMERAS	OB VAN OPERATIONS

PUBLIC SAFETY



Multi Purpose Control System

BORDER	VEHICLES	SENSIBLE TARGETS	OPS THEATERS

UTILITIES

Network Control System

ELECTRICAL UTILITIES	WATER UTILITIES	TERRESTRIAL COMMUNI.	ENERGY NETWORKS

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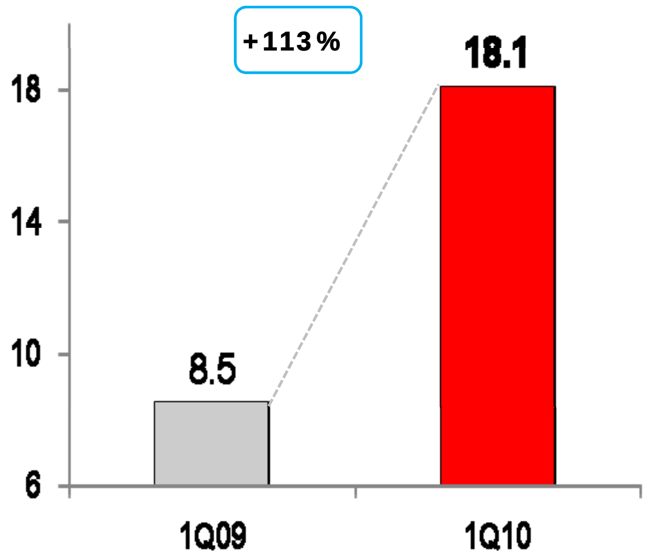
1Q 2010 Highlights

Profit and Loss

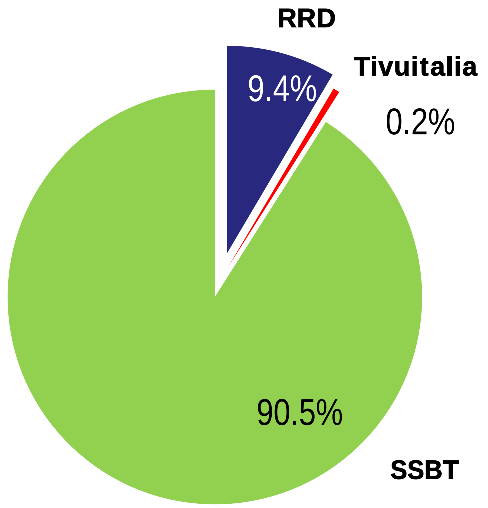
€m	1Q 2010		1Q 2009		YoY %
Revenues	18.1	*100.0%*	8.5	*100.0%*	+ 112.9%
Ebitda	6.2	*34.1%*	2.2	*25.4%*	+ 186.0%
Ebit	5.7	*31.4%*	2.0	*23.2%*	+ 187.7%
Ebt	5.9	*32.4%*	1.9	*22.5%*	+ 206.2%

Revenues

Revenues

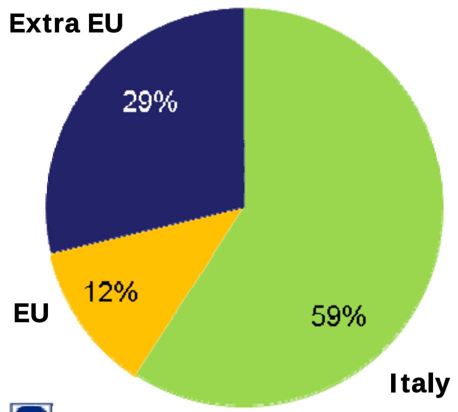


Revenues Breakdown for Division



Division	Revenues
SSBT	16.4
RRD	1.7
Tivuitalia	0.03
Total	**18.1**

Revenues Breakdown for Geographic Area

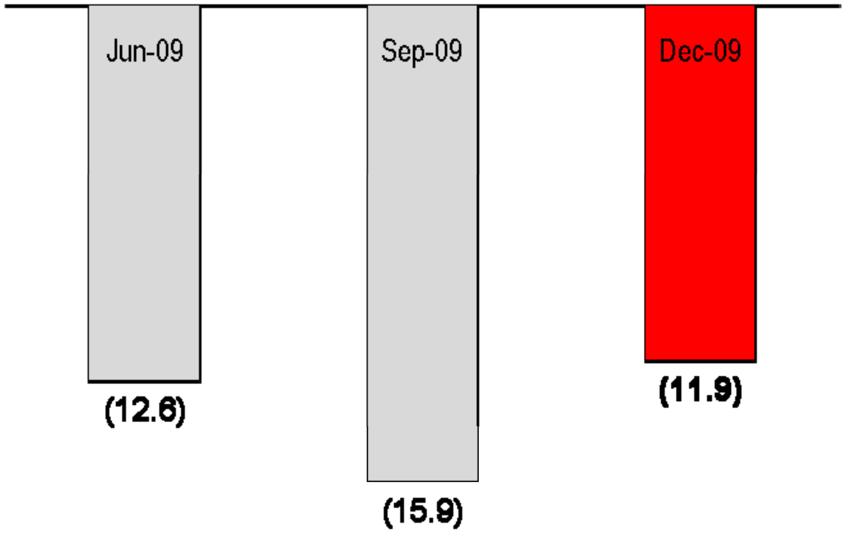


Area	Revenues
Italy	10.7
EU	2.2
Extra EU	5.2
Total	**18.1**

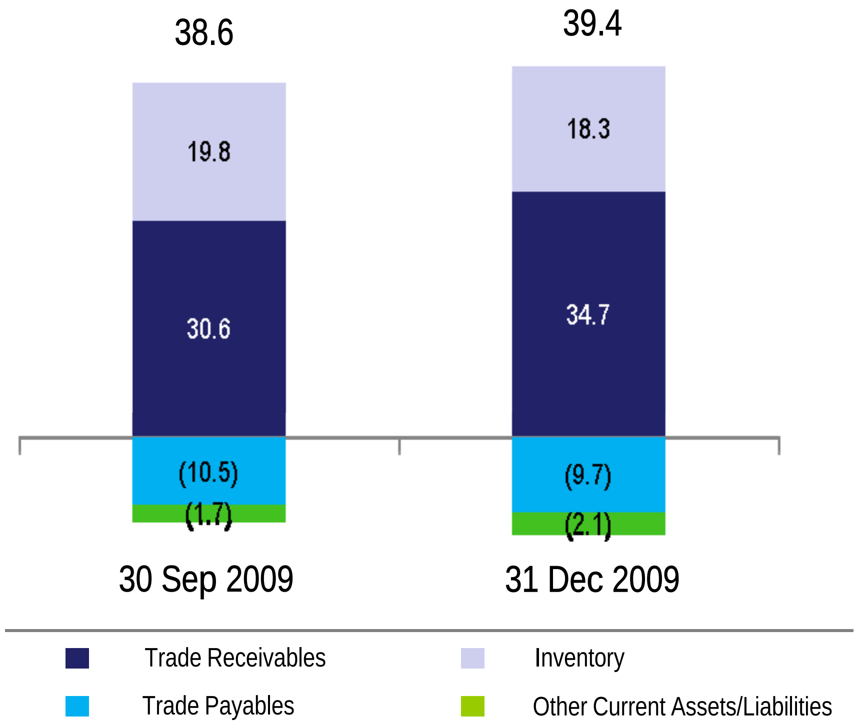
Screen Service

NFP and WC

Net Financial Position



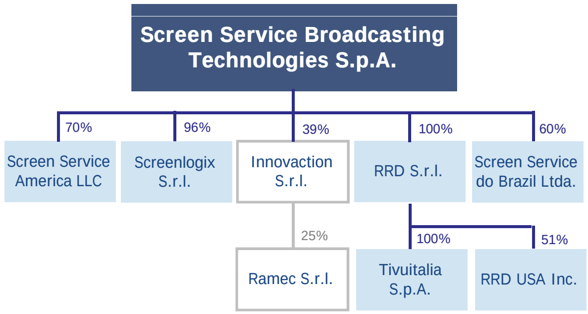
Net Working Capital



Screen Service

Company Profile

Group's structure



Top Managers

- Simone Cimino — **Chairman**
- Antonio Mazzara — **CEO**
  - Carla Sora — **CFO & IR**
  - Michele Bargauan — **CTO**
  - Giuseppe Gatti — **PRODUCTION**
  - Gianluca Baccalini — **SALES**

Investor Relations

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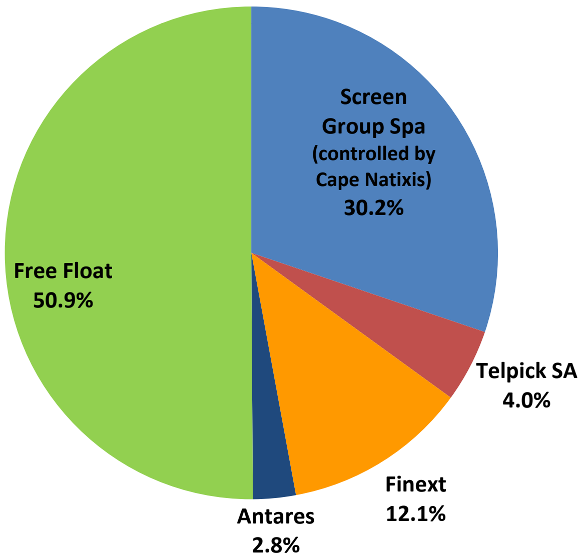
Shareholding



Share Informations

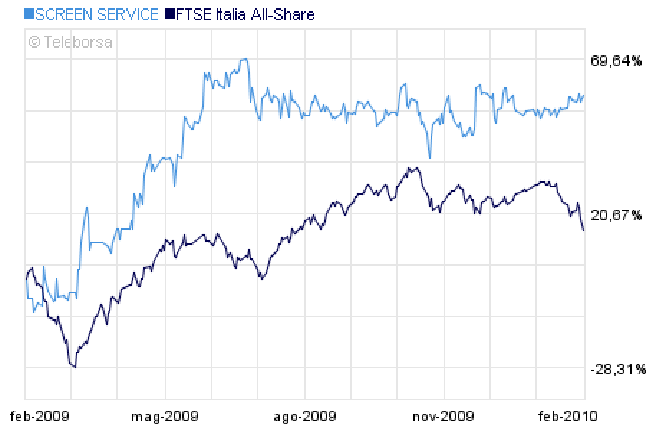
N. of shares outstanding: 138.5 m

Price as of 08/02/10: € 0.71

Capitalization: € 99 milion

Italian Stock Exchange – MTA

Stock Chart



Screen Service

Annexes

Screen Service

FY 2009 Highlights

Profit and Loss

€m	FY 2009		FY 2008		YoY %
Revenues	52.9	*100.0%*	31.2	*100.0%*	+69.7%
Ebitda	18.8	*35.6%*	8.3	*26.5%*	+128.1%
Ebit	17.0	*32.1%*	7.7	*24.6%*	+122.0%
Ebt	15.8	*29.9%*	7.4	*23.6%*	+115.4%
Net Result	10.1	*19.2%*	3.6	*11.5%*	+183.0%

Balance Sheet

€m	FY 2009	FY 2008
Non Current Assets	54.2	27.1
Current Assets	52.4	58.3
Total Assets	**106.6**	**85.5**
Shareholders' Equity	70.3	60.1
Non Current Liabilities	9.0	7.6
Current Liabilities	27.3	17.8
Total Equity and Liabilities	**106.6**	**85.5**

Screen Service

Market Overview – Analogue Switch-Off Date

Country	Population mln	TV household mln	Switch-off date
Australia	21.1	7.6	2013
Brazil	187.5	36.5	2016
Austria	8.3	3.3	2010
Bulgaria	7.6	2.7	2012
Hungary	10.0	3.8	2012
Italy	59.2	23.3	2012
Poland	38.1	13.4	2014
South Africa	48.6	7.0	2011
Czech Rep.	10.3	3.7	2012
Ireland	4.3	1.5	2012
Ucraina	46.2	7.9	2014
UK	60.6	25.4	2012

Source: DVB, DigiTag, Digital TV Group, ABI Research, Twice Reply analysis

Digitization will significantly influence dynamics of TMT industries

What is digitization?

- Digitization is the process of converting information from analogue into digital formats (discrete units and groups of data called bits and bytes)
- Digital television (DTV) uses digital modulation and compression to broadcast video, audio and data signals to television sets

Digital capabilities

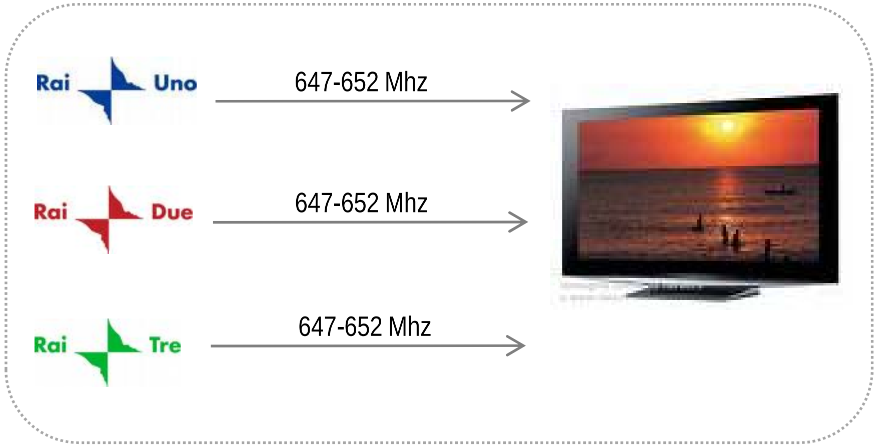
- Number of channels: DTV can carry up to 8x more channels in the same amount of bandwidth and receive high-definition programming.
- Picture quality: DTV signal eliminates common analog broadcasting effects such as "ghosting", "snow" and static noises in audio.
- Format: DTV often coincides with a change in picture format from an aspect ratio of 4:3 to one of 16:9, enabling TV to get closer to the aspect ratio of movies and human vision.
- Functionality: DTV offer interactive functionally and active involvement of the viewer in specially designed TV formats.
- Technological platforms: DTV is can be delivered via satellite, cable and terrestrial as well as IPTV (via typical telecom broadband technologies e.g. XDSL, etc.)

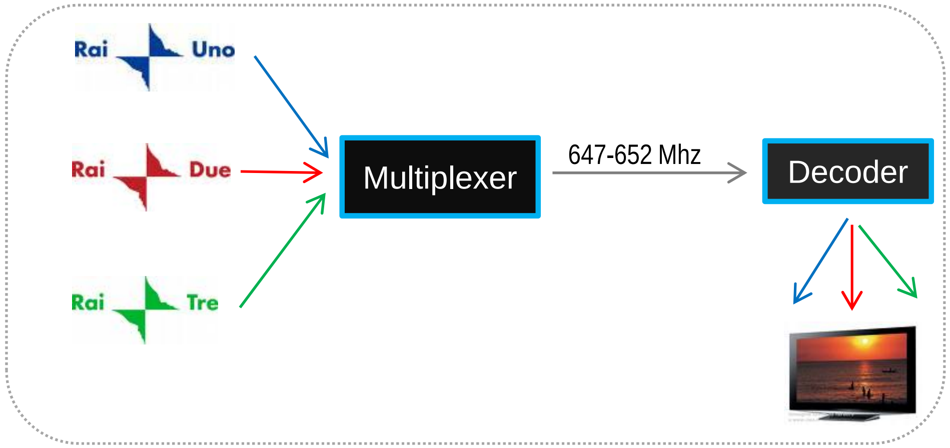
Digital impact

- The present TV broadcasting system will change into an interactive digital multicasting system allowing a transformation of the current free to air (FTA) but also pay TV (PTV) and pay per view (PPV) offers.
- New characteristics of broadcasting services will be ubiquity, accessibility, convenience, localization, personalization, better access to more information with a high level of individual interaction.
- FTA will still take a major role of the broadcasting service, however interactive services are expected to push PTV and PPV into a larger dimension.
- Convergence between telecommunication, media and technology industries will be further enhanced - the multi media value chain will be characterized by co-existence of content, network and service-providers that actively competing against each other for the client – the ability to offer appealing interactive content will become the “killer application”.

Multiplexer - MUX

Analogic Broadcasting	Digital Broadcasting





- A MUX or multiplex is a portion of radio spectrum in which analogical or digital signaling can be put
  - Analogical: whole bandwidth for a single audio-/video- + text-content (i.e. RaiUno) is used.
  - Digital: “Multiplex” more content and compress it: flow can be delivered through a single signaling and, once “de-Multiplexed” by our encoder, it contains many channels. The number of channels on TV is multiplied
- A single frequency carries 24 Mbits / second bandwidth.
- A single audio/video content needs:
  - 3/4 Mbits/sec bandwidth in standard definition: 6-8 channels/MUX
  - 8 Mbits/sec bandwidth in high definition: 3 channels/MUX

If you require additional financial info or if you would like to provide us with financial suggestions and comments, please contact us at the following address:

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