



## Net Insight presents measures for strengthened profitability

*Stockholm, Sweden* – Net Insight today announces that the company reduces costs and makes a minor organizational change. The measures are a natural consequence of the reorganization that was made in October 2018, and the aim is to improve results, increase efficiency and create room for continued investments. The costs are expected to decrease by approximately SEK 25 million annually and also means certain changes in Executive Management.

**Operating profit for the fourth quarter will be charged with approximately SEK 43 million for provisions and write-downs, primarily relating to capitalized development expenses.**

In order to improve profitability, increase efficiency and create room for continued investments, Net Insight is implementing a number of measures. The joint sales organization is rightsized and transferred to the various product units, which further increases the customer focus. Management, administration and other functions will be rationalized. The goal is to reduce costs by approximately SEK 25 million on an annual basis, and a total of about 20 people are affected globally. The savings program will be completed during the first quarter of 2019.

At the end of 2018, a review of the product range was made. Capitalized development costs will be written down by approximately SEK 36 million. This refers to an investment in a product for a market segment that did not take off.

We continue to have a positive view on the outlook for our solutions. The Nimbra portfolio is competitive and is continuously developed to drive the market. For ScheduALL, we see a solid potential and are increasing focus on development. Our view on Sye is unchanged and remains positive.

Operating profit for the fourth quarter will be charged with approximately SEK 43 million primarily related to the write-down of development costs of SEK 36 million, but also to inventory revaluation and structural costs for personnel reductions. Preliminary sales and operating profit for the fourth quarter, including the above-mentioned costs, are estimated at SEK 106 million and SEK -58 million respectively. Costs for staff reductions are expected to affect operating profit for the first quarter of 2019 by SEK 3 - 5 million.

The organizational changes will be effective from February 1, 2019. As from now, Executive Management will consist of the following:

Henrik Sund, CEO; Pelle Bourn, CFO; Ulrik Rohne, VP Media Networks; Filippa Hasselström, VP OTT; Judy Fick, VP Resource Optimization; Marcus Sandberg, VP MarCom and Anna-Karin Berry, interim Head of People.

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This information is information that Net Insight AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 3.00 pm CET on January 16, 2019.

**About Net Insight**

*Net Insight's vision is to enable a live and interactive media experience for anyone on earth. Our aim is to lead progress and enable a global media marketplace where live content can be exchanged and interaction among TV audiences can take place in real-time. We want to create the media experience of the future, centered on content.*

*Net Insight delivers products, software and services for effective, high-quality media transport, coupled with the effective management of resources, all, which creates an enhanced TV experience. Net Insight's offerings span across the entire media spectrum, starting from TV cameras and TV studios, right through to the TV consumers. Our solutions benefit network operators, and TV and production companies, by lowering total cost of ownership, improving their workflow efficiencies and providing them with the ability to capture new business opportunities.*

*More than 500 world-class customers run mission critical media services using Net Insight's solutions, covering more than 60 countries worldwide. Net Insight is listed on Nasdaq Stockholm.*

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