

PRESS RELEASE

NEOTION and the Groupe AB team up to pioneer together the breakthrough “Pay Per Phone” service

With a decoder labelled « my NEOTIONbox » and a mobile phone, the service « Pay Per Phone » shall allow users to receive on their TV sets all the encrypted channels of Groupe AB, without any subscription and while paying only for the specific slot of time purchased.

Cologne, Germany, May 31, 2005 - NEOTION, a technology leader developing products and services for the digital television market, and Groupe AB, a French leading supplier of thematic channels for the digital pay-TV market in France, signed a partnership agreement to field test the service "Pay Per Phone" on all the Groupe AB channels.

After having been the first operator to broadcast its TV channels over ADSL, Groupe AB reinforces further its leadership in television broadcasting by extending its offer with the service “Pay Per Phone”. Dedicated to viewers who are not prepared to commit for a yearly subscription service, “Pay Per Phone” eliminates subscriptions and invoices thus allowing the end-users to watch on their TV sets on a temporary basis encrypted channels. Users simply pay for the slot of time purchased via cell phone or the Internet.

« Pay Per Phone » provides professional broadcasters with a source of additional revenues, without the need for any technical changes in their broadcasting platform.

Viewers can experience a new form of digital television, offering total freedom with no constraints or subscriptions. The service “Pay Per Phone” is part of in « my NEOTIONbox », a new label of digital TV receivers enhanced with advanced features.

“Groupe AB’s interest for our solution “Pay Per Phone” confirms the relevance of our new range of services, that embrace NEOTION strategic orientation to provide innovative products and solutions for the digital television market” declares Jean-Yves Le Roux, NEOTION President and Founder.

Following this preliminary phase, the commercial offer "AB Pay Per Phone" will be finalized and deployed on a larger scale. In addition, Groupe AB, who plans to broadcast its DTT pay channel in September 2005 and NEOTION, who offers the MPEG-4 appropriate modules and receivers for reception, are already working on the service "AB Pay Per Phone" for DTT broadcasting.

About Neotion

NEOTION is a technology leader in the digital television market. The company designs, develops and supplies a wide range of innovative products and services dedicated to both the consumer market and the media industry. In February 2004, NEOTION acquired XEOLE to quickly becoming a major player of the MPEG-4 AVC video compression market. Neotion is headquartered in La Ciotat, France with a subsidiary in Shanghai, China.

Its products are successfully meeting the challenges of several markets:

- Digital Transmission and Reception,
- Video Compression in MPEG-4,
- Digital Recordings for TV, PC and DVD.

NEOTION's product line includes:

- Cablecard modules and chips integrating the new video coding standard MPEG-4 AVC to enable applications in the Digital TV and IP-TV markets
- Modules for high-class TV receivers
- INFOCAST Services, a wide range of innovative and interactive services on TV with e-mail, update, chat on TV, record by text messaging, Pay Per Phone

More details are available on the website: www.neotion.com
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About AB Groupe

AB Groupe is a leading supplier of thematic channels to the digital pay-TV market in France. The Group operates a total of 20 channels, including RTL9, AB1 (fiction and series), AB Moteurs (motorized vehicles), Escales (travel), RFM-TV (popular music) and XXL (adult). In addition, the Group controls Onyx Television ("Onyx"), a music channel, which is distributed via analogue cable in Germany to 11.5 million subscribers. AB Groupe is also a distributor of television programming with an extensive library of television programming rights.