



Screen Service

PRESS RELEASE

SCREEN SERVICE acquires 100% of RRD Reti Radiotelevisive Digitali S.r.l., a leader in the broadcast and telecommunications services industry.

The transaction is valued at 19.6 million Euro.

Consideration for the acquisition will consist in cash, transfer of receivables and Screen Service's own shares.

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

Screen Service Broadcasting Technologies S.p.A., a company listed on the Italian Stock Exchange's Expandi Market [SSB.MI] and key player in the design, production and marketing of equipment used in television signal transmission systems, has acquired 100% of RRD Reti Radiotelevisive Digitali S.r.l., a wholly-owned subsidiary of Waiting 4 S.p.A, controlled by shareholders active in the world of television broadcasters and financial investors.

The consideration for the transaction, equaling to 19.6 million Euro, will consist in:

- 2.3 million Euro in cash;
- 14.0 million Euro in trade and financial receivables, 0.5 million Euro of which will be used to settle a receivable with Waiting 4 itself;
- 3.3 million Euro in Screen Service's own shares (equal to 5,500,000 shares), which will be transferred to Waiting 4 by SSBT.

RRD is active in the design and marketing of broadcast networks, platforms and management systems for the distribution of digital television signals, as well as in the realization and integration of complete systems for the transmission of mobile, terrestrial and satellite digital television signals.

RRD holds 51% of the share capital of RRD USA, a company headquartered in New York which develops specific solutions for the North American market, as well as 51% of the share capital of Tivuitalia S.r.l., broadcasting licence owner which runs a national backbone for television signal distribution.

With 24 employees, last year the RRD Group reported revenues and income of 25.4 million Euro, EBITDA of approximately 6.6 million Euro (26.1% of revenues and income) and a pre-tax profit of approximately 2.5 million Euro. Net financial debt as of 30 September 2008 was 1.1 million Euro. These consolidated figures, prepared in accordance with IFRS accounting standards, refer to the twelve month period closed on 30 September 2008 and which coincides with SSBT Spa's fiscal year closing.

From a strategic point of view, given the complementary nature of the two companies' businesses, the transaction will make it possible for the SSBT Group to begin the transformation of the Group from manufacturer to end-to-end solution provider and, therefore, to expand its



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actual offer to the broadcast industry and to important telecom operators, as well as to new domestic and international markets.

The valuation was based on the opinion of an independent expert, considering that the structure of the deal is such that related parties were involved insofar as two members of the Board of Screen Service also sit on the Board of Waiting 4 S.p.A..

Besides, considering the peculiarities of the transaction i.e. its relevance and the involvement of "related parties", the issuer will deposit the Informative Prospectus drawn up according to the art. 71 and 71 bis of the "Issuers Regulation" and in line with the attachment 3B, table n.3 and n.4 of the same Regulation.

"The deal's strategic importance – stated the CEO, Luca Saleri – lies in the complementary nature of the two companies' offers. The business of Screen Service, which focuses primarily on the design, production and marketing of equipment for the transmission of television signals, will, in fact, be strengthened in the area involving the realization and integration of complete systems thanks to the development of technological solutions for businesses."

"In this way and thanks to the consolidation of digital technology – Saleri continued – Screen Service's potential market will also include the less traditional players active in television broadcasting, resulting in a strengthening of its position as a domestic leader in technology and increased international penetration".

Screen Service's financial advisor for the transaction was Abaxbank with MBL & Partners acted as legal advisor. The legal advisor for Waiting 4 S.p.A. was Chiomenti Studio Legale New York.

Screen Service Broadcasting Technologies S.p.A., with Registered Office and Head Quarter in Brescia (Italy), is an asserted entrepreneurial reality listed on the Milan Stock Exchange "Expandi Market", which operates in the field of infrastructure for communications and offers a wide range of products and integrated services integrated to radio-television and mobile telephone providers

Screen Service, which has been active in the market for more than twenty years, designs, manufactures and markets equipment used in the different phases of television broadcasting process, mainly: high and low power transmitters and transposers, microwave links, as well as equipment for the encoding and management of digital television signals both in Italy and abroad.

Screen Service is the ideal partner for the most demanding of international broadcasters and it has been able to supply tens of thousands of equipment to government agencies, public and private broadcasting providers in many country worldwide.

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Milan, 26 January 2009