

AD HOC release

Catalis SE announces results for the third quarter and first nine months of 2010. Third quarter figures show successful return to profitability

Eindhoven, November 16, 2010 – Catalis SE, the worldwide service provider for the digital media and entertainment industry, is pleased to announce its financial results for the third quarter and first nine months of 2010 and provides an updated outlook for the full fiscal year. Guidance is also given for 2011. Third quarter results confirm the Group's successful return to profitability after the past quarters of adjustment to changing market conditions.

In the third quarter 2010, Kuju and Testronic as well as Catalis Group as a whole, successfully returned to profitability. It is also pleasing to note that the third quarter profits of Testronic and Catalis Group not only greatly exceeded those of the second quarter but also exceeded those of the third quarter in 2009. Kuju also made good progress returning to profit after losses in the second quarter.

Although in general the market environment remains weak, Catalis Group benefitted from the previous rigorous structural and organisational adjustments it made to its business in the past four quarters. Customer demand for our services has also been stronger in the third quarter partly driven by the upcoming holiday season when a large number of home entertainment products are traditionally brought to the market.

In the third quarter of the fiscal year 2010, revenues of Catalis Group were down 6.5% from € 8.2m in 2009 to € 7.7m. In light of a still difficult industry environment we have seen a significant turnaround from the development of the previous quarters. The EBIT (operating profit) before non-recurring costs, increased from € 0.3m to € 0.7m. The non-recurring costs amounted to € 0.2m and were attributable to further adjustments at both Kuju and Testronic. Despite the 6.5% fall in revenues EBIT after these costs was € 0.5m (2009: € 0.3m), an increase of 62.2%. Earnings per share for the third quarter amounted to € 0.01 compared to € 0.00 for the third quarter of 2009.

For the first nine months of 2010, revenues of Catalis Group amounted to € 19.7m (2009: € 25.3m). This is a decrease of 22.1%. EBIT before non-recurring costs was down to € -1.2m (2009: € 1.0m). Non-recurring costs amounted to € 0.7m (2009: € 1.4m) resulting from structural and organisational adjustments at Kuju and Testronic. Including these costs, EBIT was € -1.9m (2009: € -0.4m). Including the financial result of € -0.3m (2009: € -0.4m), pre-tax earnings amounted to € -2.2m (2009: € -0.8m). Net income for the period amounted to € -2.2m (2009: € -0.7m). Earnings per share for the first nine months of the fiscal year 2010 amounted to € -0.06 (2009: € -0.02).

Testronic has seen revenues for the third quarter of 2010 move up from € 3.6m in 2009 to € 4.4m. This represents an increase of 21.1% which is due to a consolidation of the DVD testing business and the strong development of Testronic's European business. Testronic generated an EBIT before non-recurring costs of € 0.8m (2009: € 0.5m). Non-recurring costs amounted to € 0.1m (2009: € 0.0m). EBIT after such costs was € 0.7m (2009: € 0.5m). For the first nine months of 2010, revenues at Testronic amounted to € 9.9m (2009: € 10.1m), a decrease of 2.1% from the previous year. Testronic's EBIT before non-recurring costs for the first nine months of 2010, amounted to € 0.6m (2009: € 0.9m). Non-recurring costs amounted to € 0.1m (2009: € 0.8m). EBIT after such costs was € 0.5m (2009: € 0.1m).

In the third quarter of 2010, Kuju generated revenues of € 3.3m (2009: € 4.6m), representing a decrease of 28.5%. EBIT before non-recurring costs for the period showed a slight profit and amounted to € 0.1m (2009: € 0.1m). Despite the large fall in revenues

(which were in line with the general market declines) and including non-recurring costs of € 0.1m, EBIT was just positive at € 0.0m (2009: € 0.1m). In the first nine months of 2010, Kuju generated revenues of € 9.8m (2009: € 15.2m), representing a decrease of 35.5%. Kuju's EBIT before non-recurring costs for the first nine months of the fiscal year 2010 amounted to € -1.1m (2009: € 1.0m). Including non-recurring costs of € 0.6m (2009: € 0.6m), EBIT was € -1.7m (2009: € 0.4m).

As recently announced, Doublesix Digital Publishing (DDP) has been established as a separate entity alongside sister company, Kuju Entertainment, as the group looks to build on its successful self-published digital games strategy. As DDP was officially constituted in late August 2010, it will be reported as a separate division from the current fourth quarter onwards. On a pro-forma basis, it was profitable in the first nine months of 2010.

Outlook

In the fourth quarter of 2010, we expect the business of Testronic to slow as the seasonal holiday rush subsides. However, we expect Testronic to improve against the fourth quarter of 2009 and to be profitable in that quarter as well. At Kuju, we also expect to retain profitability on the third quarter level and to end the second half of the year with a better than break-even result. DDP will concentrate on the further build-up and expansion of its pure self-publishing business where the division is currently working on a number of promising own and co-funded titles and is in discussions about several new compelling licences for 2011.

Following from the above, we expect to retain profitability in the fourth quarter also on the Group level further indicating the successful turnaround of our Group in the second half of this year. Markets remain somewhat unpredictable however, based on the results of the first nine months of 2010 and our expectations for the fourth quarter we expect full fiscal year 2010 revenues of approximately € 26.0m and an EBIT of € -1.7m. In 2011, we currently expect revenues to grow to approximately € 29.0m and an EBIT of € 1.5m.

For the full 2010 third quarter and nine months report and further information on Catalis SE and its wholly owned subsidiaries, Testronic, Kuju and DDP, please refer to www.catalisgroup.com, www.kuju.com, www.doublesixgames.com and www.testroniclabs.com. For further questions please contact:

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About Catalis SE:

Catalis is a worldwide leading outsourcing provider focusing on high-end technical services relating to the creation of digital content for the film, video games and software industries. Catalis offers both testing and development services. It operates through its wholly owned subsidiaries Testronic, Kuju and DDP from ten locations throughout the US, the UK, Poland, Belgium and the Czech Republic.

Forward-looking statements

This press release contains forward-looking statements. These statements are based on current expectations, estimates and projections of Catalis SE management and information currently available to the company. The statements involve certain risks and



uncertainties that are difficult to predict and therefore Catalis SE does not guarantee that its expectations will be realized. Furthermore, Catalis SE has no obligation to update the statements contained in this press release.