

NET INSIGHT YEAR-END REPORT 2011

Net Insight AB [publ] Corporate Reg. No 556533-4397

Fourth Quarter 2011

- Net Sales of SEK 80.3 million (88.1) a decrease of 8.9% compared to the same period previous year. In comparable currencies the decrease was 7.6%.
- Operating earnings of SEK 16.1 million (15.7), corresponding to an operating margin of 20.0% (17.8).
- Earnings per share of SEK 0.06 (0.05).
- Total cash flow of SEK 0.8 million (31.6).

January - December 2011

- Net sales of SEK 294.5 million (287.7) corresponding to a growth of 2.4% compared to the same period previous year. The growth rate in comparable currencies amounts to 7.8%.
- Operating earnings of SEK 42.8 million (43.1), corresponding to an operating margin of 14.5 % (15.0).
- Earnings per share of SEK 0.13 (0.26), decrease is related to a positive one time effect in 2010.
- Total cash flow of SEK -39.6 million (83.9), the cash flow in 2010 included a SEK 60 million positive one time effect.

Net Insight AB discloses the information provided herein pursuant to the Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on February 17, 2012 at 08.30 am CET.

STEADY FINANCIAL PERFORMANCE

FOURTH QUARTER

The fourth quarter was our second best quarter from a revenue perspective so far but 8.9 % lower than the same quarter in the previous year. Revenues reached 80.3 MSEK and in comparison, the currency effects were insignificant. The gross margin strengthened to 62 % (59). The operating margin increased to 20 % (17.9) as the operating earnings reached 16.1 MSEK (15.7). In summary, the financial result in the fourth quarter was slightly ahead of the same period previous year. There were several factors affecting the fourth quarter revenues. On the one hand there was a significant decline in the business in Western Europe and lower volumes than expected in Digital Terrestrial Television networks (DTT). The decline is mainly due to timing factors rather than a lasting decline. On the other hand revenues were up in the Americas and APAC. The business area Broadcast and Media Network (BMN) continues to grow and represented 94 % of our business in Q4 (82). It can be noted that there is a significant number of DTT projects ahead.

FULL YEAR 2011

Revenues 2011 reached 294.5 MSEK (287.7), a growth of 2.4 % compared to previous year. In comparable currencies the growth amounted to 7.8 %. The gross margin remained high at 61.9 % (62.7) and the operating earnings were 42.8 MSEK (43.1) producing an operating margin of 14.5 % (15).

Despite lower growth than anticipated, we have expanded geographically, won new customers and broadened our product portfolio. We now count 150 operators in over 50 countries. An important part of our growth strategy is our indirect sales which reached 56% (38) of our total revenues. We also continued to win business with telecom operators as well as cable TV operators that are very key customer groups for Net Insight going forward.

The media and broadcast market is undergoing major changes driven by the digitization of media and the migration to IP. This changes the way we produce, distribute and consume video. The production of video is changing towards IT based workflows and is real-time critical requiring media networks with high quality and low delay. The consumption of video over broadband (over-the-top) has massively increased in the last year and gradually consumers will demand live and higher quality content delivered over-the-top. We have during the year clarified our unique value proposition in an industry migrating to IP, strengthening Net Insight's position as a future player in video transport. For certain we will leverage these trends and the changes in the market place based on our position as a recognized provider ensuring high quality real-time sensitive video transport.



Stockholm, February 17, 2012
Fredrik Trägårdh
CEO

BUSINESS ACTIVITIES DURING THE FOURTH QUARTER

Net Insight had a steady repeat business during the quarter and the Business Area Broadcast and Media represented 94% of total revenue. The Business Area Digital Terrestrial TV represented 6% and CATV/IPTV 0%.

Net Insight announced some new customers during the quarter Telecom Italia Media Broadcast in Italy, which was won and mentioned in the interim report for the third quarter. Cypriot Velister Ltd was also announced as a new customer. Velister is the commercial DVB-T operator in Cyprus and is the second DTT-implementation in Cyprus. During the quarter Net Insight entered a new segment in the Americas, the Government sector, by winning the US Library of Congress business. The Nimbra platform will be used to transport video from the House and Senate fiber ring location to the Library of Congress' National Audio Visual Conservation Center (NAVCC).

Since the launch of our broadened access portfolio at IBC in September, Net Insight has actively introduced the new offerings to our partners and customers. The expansion order from Wisconsin Independent Network (WIN) and Midwest Video Solutions, in which WIN has ownership, has expanded its IPTV network with Net Insight's Nimbra 320. The Nimbra 320 allows the WIN network to expand to additional sites and territories while ensuring 100 percent QoS and lossless routing for its IPTV network distribution.

A significant order was won from a national broadcaster during the quarter that will expand their nationwide TV and media network. The expansion order value exceeded EUR 1 million.

PARTNERSHIP

Two new partners, value added resellers, were signed by Net Insight. SiSelectrón, based in Mexico, is a well-established systems integrator and service partner in all Mexican states that will penetrate the broadcast and DTT markets with Net Insight's solutions. In Asia a new partner was recruited, Vietcoms, based in Vietnam, specializing in the media business. In regards to our Global Partner Network, Net Insight had 48 partners at the end of the quarter.

MARKETING ACTIVITIES

Net Insight has participated at a number of exhibitions during the quarter in Saudi Arabia, Japan and in the US. Net Insight has continued its PR efforts in thought leadership around Service Aware Media Networks enabling network owners to deliver enhanced Quality of Service and service integrity in IP media networks. Net Insight is also driving the trend towards remote production and we have seen a lot of media coverage on the topic during the quarter.

NEW PRODUCT INTRODUCTION

As mentioned above Net Insight has introduced our new broadened access portfolio, Nimbra 140, 230 and 320 to our partners and customers. These products enable Net Insight to offer its customers a more complete end-to-end transport solution bringing the Nimbra portfolio's unique QoS and service-centric control further into the customers' premises.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

No significant events have occurred after the end of the period.

SALES AND EARNINGS

Fourth Quarter

Net Sales for the fourth quarter amounted to SEK 80.3 million (88.1), which represents a decrease of 8.9% compared to the fourth quarter 2010. Revaluation of accounts receivables in foreign currencies had a negative effect on Net Sales of SEK 0.7 million compared to SEK 0.6 million for the same period last year. In comparable currencies the decrease amounts to 7.6%.

The EMEA region accounted for SEK 56.7 million (80.1) of total sales. The reason for the decreased turnover in EMEA is due to fewer DTT projects in the roll-out phase and the absence of major events such as the soccer World Cup or Olympic Games. The Americas showed growth of SEK 12.1 million to SEK 18.3 million (6.2) and APAC is up compared to previous year to SEK 5.3 million (1.8).

NET SALES PER REGION

	Q4	Q4	Q1	Q2	Q3	Full year	Full year
Amount in SEK million	2011	2010	2011	2011	2011	2011	2010
EMEA	56,7	80,1	50,3	45,1	51,8	203,9	229,2
Americas	18,3	6,2	13,2	21,8	16,8	70,1	43,8
APAC	5,3	1,8	3,1	5,3	6,8	20,5	14,7
Total	80,3	88,1	66,6	72,2	75,4	294,5	287,7

Sales in the Broadcast & Media business area made up 94% (82) of total sales. DTT & Mobile TV accounted for 6% (17) and IPTV/CATV for 0% (1). The Business Area DTT & Mobile TV tends to vary between quarters and years as investments are driven mainly by government decisions.

Hardware revenue is slightly down to SEK 59.5 million (68.2). Sales of software licenses show a slight growth to SEK 8.3 million (7.5) whereas support and service revenue has increased compared to previous year to SEK 12.9 million (11.3). The above figures are exclusive of other revenues of SEK -0.3 million (1.1), which mainly consists of revaluation effects of the accounts receivables stock in foreign currencies.

As shown in the condensed income statement on page 11, the gross margin is 62% (59.0). The strong gross margin is primarily connected to an increased share of repeat sales to existing customers. Depreciation on capitalized R&D projects, which is charged to Cost of Sales, amount to SEK 7.6 million (6.1). Adjusted for this, the Gross Margin amount to 71.5% (65.9)

Total operating expenses for the fourth quarter is at SEK 33.7 million (36.3), SEK 2.6 million lower than previous year. R&D expenses have decreased by SEK 2.9 million to SEK 3.7 million (6.6) as a larger share of resources has been assigned to development projects which have qualified for capitalization. Administration expenses are on par with previous year at SEK 4.9 million (5.2). Sales & Marketing expenses show a slight increase of SEK 0.6 million. The underlying increase in Sales & Marketing expenses is approximately SEK 2.6 million adjusted for one time charges in Q4 2010

Operating earnings for the fourth quarter amounted to SEK 16.1 million (15.7), which corresponds to an Operating Margin of 20.0% (17.8)

The financial net amounted to SEK 0.4 million (0.6). The decrease compared to last year is related to translation differences on cash held in foreign currencies.

Earnings before tax amounted to SEK 16.5 million (16.3), which corresponds to a profit margin of 20.6% (18.5).

Net Income amounted to SEK 21.5 million (19.0) resulting in a Net Profit margin of 26.8% (21.6). The improved Net Income is mainly a result of the improved Operating Earnings and capitalization of SEK 9.5 million (5.3) of deferred tax assets.

Full Year

Net Sales for the twelve months period ending December 31st, amounted to SEK 294.5 million (287.7), which is an improvement of 2.4% over last year. Revaluation of the accounts receivables stock had a positive effect on Net Sales of SEK 1.8 million (-7.1). In comparable currencies the growth amounts to 7.8%.

The EMEA region accounted for SEK 203.9 million (229.2) The reason for the decreased turnover in EMEA is due to fewer DTT projects in the roll-out phase and the absence of major events such as the soccer World Cup or Olympic Games. Americas showed increased sales of SEK 26.3 million to SEK 70.1 (43.8). The improvement is mainly related to BMN business in North America. APAC also showed a growth of SEK 5.8 million to SEK 20.5 million (14.7).

Sales by business area are distributed between Broadcast & Media 79% (67), DTT & Mobile TV 17% (31) and IPTV/CATV 4% (2). The Business Area DTT & Mobile TV tends to vary between quarters and years as investments are driven mainly by government decisions.

Hardware sales amounted to SEK 215.7 million (220.9), software licenses SEK 28.5 million (28.5) and support and services revenue SEK 47.4 million (41.5). The above figures are exclusive of other revenues of SEK 3.3 million (-3.2), which mainly consists of revaluation effects of the accounts receivables stock in foreign currencies.

As shown in the condensed income statement on page 11, the Gross Margin is 61.9% (62.7). Depreciation on capitalized R&D projects, which is charged to Cost of Sales, amount to SEK 27.5 million (23.3). Adjusted for this, the Gross Margin amount to 71.2% (70.9). The improvement is mainly related to a favorable product mix.

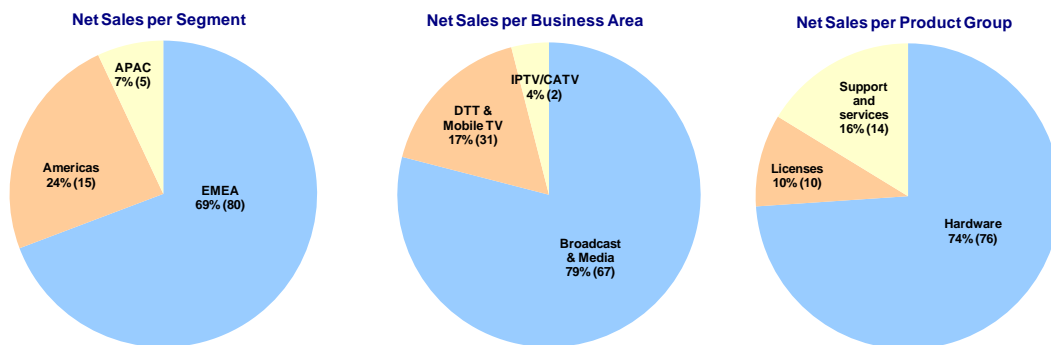
Operating expenses for the full year amounted to SEK 139.3 million (137.4). Sales & Marketing expenses amount to SEK 91.9 million (95.0). The decrease is related to lower partner commissions and one time charges taken in 2010. Adjusted for this, the increase is SEK 2.3 million mainly related to increased salary expenses. Administration expenses amounted to SEK 27.4 million (20.3). The increase is related to added staff, consultants to cover for staff on long term leave and a one-time effect from resolved provisions in 2010. R&D expenses amount to SEK 20.1 million (22.1). The decrease is related to a larger share of resources having been assigned to development projects which are qualified for capitalization. R&D expenditures amount to SEK 86.1 million (74.7). The increase is related to added staff.

Operating earnings amounted to SEK 42.8 million (43.1), which correspond to an Operating Margin of 14.5% (15.0).

The financial net was positive at SEK 4.2 million (0.5). The improvement is related to a higher yield on cash balances following increased interest rates.

Earnings before tax amounted to SEK 47.1 million (43.6) and the corresponding profit margin amount to 16.0% (15.1)

Net Income amounted to SEK 49.9 million (102.8). The transaction, announced in Q1 2010, whereby Net Insights intellectual property rights were moved to a new wholly owned limited liability company gave a positive tax and cash effect of approximately SEK 60 million during 2010.



CASH FLOW AND FINANCIAL POSITION

Cash flow from ongoing operations in the fourth quarter amounted to SEK 21.7 million (46.6). The decrease compared to last year is mainly related to a build-up of accounts receivables and somewhat lower liabilities. Investments in intangible fixed assets increased in the quarter and amount to SEK 20.3 million (14.8) and thus affecting cash flow negatively with the same amount. The increase is related to an increased level of capitalization of R&D expenditures. Cash flow in the quarter amounts to SEK 0.8 million (31.6).

Cash flow from ongoing operations for the full year amounts to SEK 29.9 million (77.8). The decrease is related to a build-up of working capital, mainly accounts receivables and lower liabilities. As Net Insight is expanding its business in the Middle East and Latin America there is a push for longer payment terms also underpinned by a general trend for longer payment terms in the wake of the financial crisis. Investments in intangible fixed assets increased by SEK 12.7 million to SEK 66.0 million (53.3). The increase is related to a higher spend in R&D and a larger share of R&D projects qualifying for capitalization. Cash flow from the investment activity, where capitalization of R&D expenditures constitutes the bulk, affected cash flow negatively by SEK 69.5 million (6.1). Last year's positive cash flow from the investment activity was generated from the first quarter IPR transaction which gave a cash surplus of around SEK 60 million. Total cash flow for 2011 amounts to a negative SEK 39.6 million (83.9) and liquid funds at the end of the period amounted to SEK 196.2 million (235.9).

Shareholders' equity amounted to SEK 491.7 million (440.6) with a resulting equity ratio of 86.4% (83.0).

INVESTMENTS

Fourth quarter investments in tangible assets amounted to SEK 0.7 million (0.3) and depreciation of tangible assets amounted to SEK 0.6 million (0.2). Capitalization of development expenditures totaled SEK 20.3 million (14.8). Depreciation of capitalized development expenditures totaled SEK 7.6 million (6.1).

Investments in tangible assets for the twelve months period amounted to SEK 3.5 million (0.5) and depreciation of tangible assets amounted to SEK 1.9 million (1.0). Capitalization of development expenditures totaled SEK 66.0 million (52.6). Depreciation of capitalized development expenditures totaled SEK 27.5 million (23.3).

At the end of the period, net book value of capitalized development expenditures amounted to SEK 158.9 million (121.6) of which SEK 71.4 million (45.0) is not yet released for depreciation.

EMPLOYEES

At the end of the period Net Insight had 150 (133) employees. The parent company Net Insight AB had 140 (124) employees, Net Insight Intellectual Property AB had 5 (4) employees and the US subsidiary Net Insight Inc. had 5 (5) employees.

PARENT COMPANY

The parent company's net sales during the fourth quarter were SEK 103.5 million (106.8). Net income amounted to SEK -114.6 million (-198.7). The negative result for the quarter is due to a write down of shares in a fully owned subsidiary and has no effect on the result of the group.

For the twelve month period ending December 31st, the net sales were SEK 381.2 (349.9) and the Net income amounted to -77.7 (14.3). Liquid funds amounted to SEK 123.7 million (167.7).

Remaining tax losses carried forward amount to SEK 65 million.

RISK AND SENSITIVITY ANALYSIS

Net Insight's operations and results are impacted by a number of external and internal factors. A continuous process identifies existing risks and assesses how each risk shall be managed and mitigated.

The risks to which, the company are exposed are divided into market related risks (including competition, technology development, political risks), operational risks (including product reliability, intellectual property rights, litigation, and customer dependence) and financial risks.

No additional significant risks or uncertainties than those described in the annual report 2010 have developed in the fourth quarter.

For a complete description of the Company's risk analysis and risk management, see page 26 and 44 in the 2010 Annual report.

CONSOLIDATED INCOME STATEMENT

Amount in SEK thousands	Q4	Q4	Full year	Full year
	2011	2010	2011	2010
Net sales	80 303	88 060	294 524	287 698
Cost of goods & service sold	-30 497	-36 069	-112 352	-107 168
Gross earnings	49 806	51 991	182 172	180 530
Sales and marketing expenses	-25 131	-24 563	-91 918	-95 043
Administration expenses	-4 903	-5 152	-27 365	-20 257
Development expenses	-3 674	-6 552	-20 065	-22 146
Operating earnings	16 098	15 724	42 824	43 084
Net financial items	405	569	4 247	474
Earnings before tax	16 503	16 293	47 071	43 558
Tax	5 005	2 714	2 857	59 245
Net income	21 508	19 007	49 928	102 803
Net income for the period attributable to the stockholders of the parent company	21 508	19 007	49 928	102 803

Earnings/loss per share, based on net profit attributable to the parent company's shareholders during the period (in SEK per share)

Earnings per share before dilution	0,06	0,05	0,13	0,26
Earnings per share after dilution	0,06	0,05	0,13	0,26
Average number of shares in thousands before dilution	389 933	389 933	389 933	389 933
Average number of shares in thousands after dilution	389 933	389 933	389 933	389 933

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amount in SEK thousands				
Net income	21 508	19 007	49 928	102 803
Other comprehensive income				
Exchange rate differences	79	65	139	-411
Total other comprehensive income, net after tax	79	65	139	-411
Total comprehensive income for the period	21 587	19 072	50 067	102 392
Total comprehensive income for the period attributable to the stockholders of the parent company	21 587	19 072	50 067	102 392

KEY FIGURES

	Q4	Q4	Full year	Full year
	2011	2010	2011	2010
Return on equity before tax (%)	3,4	3,7	9,6	9,9
Equity per share (SEK)			1,3	1,1
Cash flow from ongoing operations per share (SEK)	0,06	0,07	0,20	0,19

CONSOLIDATED CASH FLOW STATEMENT

Amount in SEK thousands	Q4 2011	Q4 2010	Full year 2011	Full year 2010
Ongoing operations				
Net income before tax	16 503	16 293	47 071	43 558
Depreciation	8 196	6 477	29 456	25 165
Other items not affecting liquidity	-1 703	3 494	440	4 291
Cash flow from ongoing operations before change in working capital	22 996	26 264	76 967	73 014
Change in working capital				
Increase-/decrease+ in inventories	374	-3 334	-8 125	-1 558
Increase-/decrease+ in receivables	-8 729	11 733	-27 945	-12 397
Increase+/decrease- in current liabilities	7 074	11 938	-11 040	18 699
Cash flow from ongoing operations	21 715	46 601	29 857	77 758
Investment activity				
Acquisitions of intangible fixed assets	-20 281	-14 766	-66 006	-53 289
Acquisitions of tangible fixed assets	-659	-260	-3 454	-496
Acquisition of net assets	0	0	0	59 990
Increase-/decrease+ in long-term receivables	57	12	-44	-105
Cash flow from investment activity	-20 883	-15 014	-69 504	6 100
Increase/decrease in liquid funds	832	31 587	-39 647	83 858
Liquid funds, opening balance	195 378	204 270	235 857	151 999
Liquid funds, closing balance	196 210	235 857	196 210	235 857

CONSOLIDATED BALANCE SHEET

Amount in SEK thousands	Dec 31 2011	Dec 31 2010
ASSETS		
Intangible assets		
Capitalized expenditure for development	158 871	121 600
Goodwill	4 354	4 354
Other intangible assets	1 291	2 156
Tangible fixed assets		
Equipment	4 075	1 702
Financial assets		
Deferred tax asset	31 932	29 075
Deposits paid, long-term	397	353
Total fixed assets	200 920	159 239
Current assets		
Inventory	36 353	28 228
Customer receivables	123 896	98 430
Other receivables	11 513	9 034
Cash and bank balances	196 210	235 857
Total current assets	367 972	371 549
Total assets	568 892	530 788
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Restricted shareholders' equity		
Share capital	15 597	15 597
Other contributed capital	1 192 727	1 192 727
Translation difference	-1 520	-1 659
Accumulated deficit	-715 088	-766 091
Total shareholders' equity	491 716	440 574
Long-term liabilities		
Provisions	7 771	5 001
Total long-term liabilities	7 771	5 001
Current liabilities		
Accounts payable	26 130	32 719
Other liabilities	43 275	52 494
Total current liabilities	69 405	85 213
Total liabilities and equity	568 892	530 788

CHANGES IN GROUP SHAREHOLDERS' EQUITY

Amount in SEK thousands	Share capital	Other contributed capital	Translation difference	Accumulated shareholders' deficit	Total shareholders' equity
2010-01-01	15 597	1 192 727	-1 248	-871 843	335 233
Total comprehensive income	0	0	-411	102 803	102 392
Employee stock option program:					
Value of employees' services	0	0	0	2 949	2 949
2010-12-31	15 597	1 192 727	-1 659	-766 091	440 574
2011-01-01	15 597	1 192 727	-1 659	-766 091	440 574
Total comprehensive income	0	0	139	49 928	50 067
Employee stock option program:					
Value of employees' services	0	0	0	1 075	1 075
2011-12-31	15 597	1 192 727	-1 520	-715 088	491 716

SEGMENT REPORT

Amount in SEK million	Q4 2011				Q4 2010				Jan-Dec 2011				Jan-Dec 2010			
	EMEA	APAC	AM	Total	EMEA	APAC	AM	Total	EMEA	APAC	AM	Total	EMEA	APAC	AM	Total
Net Sales	57	5	18	80	80	2	6	88	204	21	69	294	229	15	44	288
Regional Contribution	21	0	4	25	27	-1	1	27	68	-1	22	90	75	-3	13	85
Regional Contribution (%)	37%	0%	20%	31%	34%	-64%	22%	31%	33%	-6%	31%	31%	33%	-19%	31%	30%
Adjusted for R&D Depreciation	5	1	2	8	6	0	0	6	19	2	7	28	19	1	4	23
Adjusted Regional Contribution	26	1	6	33	33	-1	2	33	87	1	28	118	93	-2	17	109
Adjusted Regional Contribution (%)	46%	18%	31%	41%	41%	-57%	29%	38%	43%	3%	41%	40%	41%	-11%	39%	38%

Regional Contribution is defined as Gross earnings less Sales and Marketing expenses. AM is short for Americas.

CONDENSED CONSOLIDATED INCOME STATEMENT

Amount in SEK, millions	Q4 2011	Q4 2010	Q1 2011	Q2 2011	Q3 2011	Full year 2011	Full year 2010
Net Sales	80,3	88,1	66,6	72,2	75,4	294,5	287,7
Gross earnings	49,9	52,0	38,5	44,2	49,6	182,2	180,5
Gross margin	62,2%	59,0%	57,8%	61,2%	65,8%	61,9%	62,7%
Operating earnings	16,1	15,7	2,9	8,3	15,5	42,8	43,1
Operating margin	20,0%	17,8%	4,4%	11,5%	20,6%	14,5%	15,0%
Pretax profit	16,5	16,3	3,8	9,7	17,0	47,0	43,6
Net income	21,5	19,0	4,7	9,3	14,3	49,8	102,8
Net margin	26,8%	21,6%	7,1%	12,9%	19,0%	16,9%	35,7%

PARENT COMPANY INCOME STATEMENT

Amount in SEK thousands	Q4 2011	Q4 2010	Full Year 2011	Full Year 2010
Net Sales	103 519	106 790	381 211	349 859
Cost of goods & services sold	-51 510	-58 940	-187 697	-177 231
Gross earnings	52 009	47 850	193 514	172 628
Sales and marketing expenses	-29 921	-23 248	-86 665	-92 874
Administration expenses	1 717	-5 152	-27 364	-20 257
Development expenses	-3 675	-6 552	-20 065	-22 146
Operating earnings	20 130	12 898	59 420	37 350
Net financial items	-138 607	-215 060	-135 739	-215 308
Earnings before tax	-118 477	-202 162	-76 319	-177 958
Tax	3 905	3 492	-1 336	192 245
Net income	-114 572	-198 670	-77 655	14 286

PARENT COMPANY BALANCE SHEET

Amount in SEK thousands	Dec 31, 2011	Dec 31, 2010
ASSETS		
Intangible assets		
Capitalized expenditure for development	158 871	121 600
Other intangible assets	1 291	2 156
Tangible fixed assets		
Equipment	4 075	1 702
Financial assets		
Shares in group companies	18 398	18 398
Deferred tax asset	17 109	25 580
Deposits paid, long-term	397	339
Total fixed assets	200 141	169 775
Current assets		
Inventory	36 353	28 228
Customer receivables	123 896	98 430
receivables, subsidiaries	429 097	533 937
Other receivables	13 390	11 501
Cash and bank balances	123 670	167 650
Total current assets	726 406	839 746
Total assets	926 547	1 009 521
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Restricted shareholders' equity		
Share capital	15 597	15 597
Other contributed capital	112 822	112 822
Non-restricted equity/Accumulated deficit	707 865	764 449
Total shareholders' equity	836 284	892 869
Long-term liabilities		
Other provisions	7 771	4 509
Total long-term liabilities	7 771	4 509
Current liabilities		
Accounts payable	25 839	32 641
Liabilities, subsidiaries	16 618	29 398
Other liabilities	40 035	50 105
Total current liabilities	82 492	112 144
Total liabilities and equity	926 547	1 009 521

ADDITIONAL INFORMATION

This interim report has been prepared in accordance with IAS 34 Interim financial Reporting and applicable rules in the Annual Accounting Act. The interim report for the parent company was prepared in accordance with Chapter 9 of the Annual Accounts Act, interim report. The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2010, as described in those annual financial statements.

This report has not been subject to review by the company's auditors.

ANNUAL GENERAL MEETING

The Annual General Meeting will be held Thursday April 26, 2012, at 10:00 am at the Net Insight's office in Stockholm.

Shareholders who are entered in the share register kept by the Securities Register Center (EuroClear Sweden AB) on 20 April 2012 and apply to the Company no later than 20 April 2012 are entitled to attend and vote at the Annual General Meeting.

Applications to participate may be sent to the address Net Insight AB, Box 42093, 126 14 Stockholm or by telephone to +46 (0) 8 685 04 00 or by fax to +46 (0) 8 685 04 20 or by e-mail to agm@netinsight.net.

Shareholders who wish to have a matter considered at the Annual General Meeting may submit their proposals to the Chairman of the Board of Directors to agm@netinsight.net no later than March 9th, 2012.

The Annual Report 2011 will be published in the week starting with April 2, 2012 on www.netinsight.net.

DIVIDEND

The Board proposes that the AGM resolves that no dividend be paid for the financial year 2011.

REPORTING DATES

Annual General Meeting 2012	April 26, 2012
Interim report January - March 2012	May 4, 2012
Interim report January – June 2012	July 20, 2012
Interim report January – September 2012	October 24, 2012

Stockholm, February 17, 2012

Fredrik Trägårdh
Chief Executive Officer

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Net Insight delivers the world's most efficient and scalable transport solution for Broadcast and IP Media, Digital Terrestrial TV, Mobile TV and IPTV/CATV networks.

Net Insight products truly deliver 100 percent Quality of Service with three times improvement in utilization of bandwidth for a converged transport infrastructure. Net Insights Nimbra™ platform is the industry solution for video, voice and data, reducing operational costs by 50 percent and enhancing competitiveness in delivery of existing and new media services.

More than 150 world class customers run mission critical video services over Net Insight products in over 50 countries. Net Insight is quoted on the NASDAQ OMX, Stockholm.

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