

UDcast clinches second raising of capital – €7 million on this occasion

BayTech Venture Capital, MC Capital Europe and CDC Kineon wish to accompany UDcast in its international expansion, and are therefore joining the three first-round investors (CDC-Innovation Partners, SGAM, I-Source)

Sophia-Antipolis, 5 February 2002

A year after attracting €1.83 million in its first capital raising exercise, **UDcast is today announcing the conclusion of its second pool, worth a total of €7 million**, in an operation advised by NetsCapital.

Three investment funds – **Baytech Venture Capital, MC Capital Europe (VC subsidiary of Mitsubishi Corporation)** and **CDC Kineon** – have joined the initial partners, **CDC Innovation Partners, SGAM** and **I-Source**, with the aim of supporting UDcast in its future technological developments and its positioning on international markets.

In the space of only 18 months UDcast has established itself as *the* technological specialist in the integration of (multicast) broadcasting links into the Internet. The company designs and develops communication protocols (in the form of software), including UDLR (UniDirectional Link Routing).

Didier Tymen, CEO, is delighted: *"The renewed confidence of earlier investors, and the commitment shown by Baytech Venture Capital, MC Capital Europe and CDC Kineon, will allow us to break even within the next two years, to strengthen our company strategy and to start to expand our activities on an international scale"*.

By participating in this second round, investors have shown that they acknowledge the rigour of UDcast's global strategy and the relevance of its technological expertise.

Jude Ngu'Ewodo of **Baytech Venture Capital**: "UDcast has built through its unique proposition in enabling full IP over asymmetrical links an acknowledged technological leadership. This technological leadership could eventually build an important market entry barrier to new entrants and set the foundation for a future competitive advantage."

The potential of the Internet Multicast market, which is expected to be worth several billion dollars by 2005, has also, not surprisingly, influenced investors in their choice.

Taro Ikeba of **MC Capital Europe**: "We (Mitsubishi) would see many opportunities to enhance the application of UDcast technology in the satellite businesses in Japan/Asia where there is increasing demand for IP multicasting."

CDC Kineon, a subsidiary of the Caisse des Dépôts et Consignations [deposit and consignment office], defines itself as a "project accelerator" and has also played a role in this second pool. "We are here to invest in start-ups offering projects that are innovative, economically viable and in line with CDC's own development", **Philippe Clermont** of **CDC Kineon** explains. *This investment is clearly in keeping with one of CDC Kineon's lines of action: contributing to the CDC's mandate to open up the territory to digital technology by supporting high-level projects intended to provide innovative technological solutions to zones that are not spontaneously equipped by traditional operators ("enabling what private initiative does not achieve to be achieved")."*

CDC Innovation Partners, SGAM and I-Source have been at UDcast's side since November 2000, and have demonstrated their determination first to support the company in its early developments, and then to share in its increase in strength on the satellite Internet market. They have now decided to renew their commitment, and are keen to express below their own views on the collaboration with UDcast.

Stéphane Boudon, General Partner of CDC Innovation Partners: *"This raising of capital is a key stage in the development of UDcast, which can now look forward to a bright future. We believe that widening the capital structure will generate a real impetus, not just at an international level via BayTech and MC Capital Europe, but also at a local level with the support of CDC Kineon. Now that the deal has gone through, CDC Innovation Partners and CDC Kineon jointly represent the largest group of shareholders, and have thus demonstrated their renewed faith in the UDcast team".*

Hélène Gans of SGAM: *"SGAM is very happy to have concluded an international partnership in this pool. It is a great asset which will provide UDcast's outstanding team with the means to convey and fulfil their ambitions".*

Didier Moret, Member of the Board of I-Source: *"The technologies put forward by UDcast can play a major role in resolving the problems with flow that, in our opinion, still represent the main obstacle to the development of Internet use".*

Arnaud Santoire and Ambroise Huret, who are in charge of the operation at **NetsCapital:** *"Throughout the operation we have had the same objective: an international pool, which we see as a decisive lever in UDcast's conquest of its target markets".*

About UDcast

UDcast offers Internet access and application providers, content broadcasters and manufacturers of network and multimedia equipment with ready-to-use applications enabling the complete and transparent integration of special digital satellite (DVB-S), digital terrestrial (DVB-T) and digital radio (DAB) links into Internet content and transmissions.

UDcast was founded in June 2000 by Didier Tymen, Chairman and Chief Executive of the company, and four research engineers from INRIA specialising in the broadcasting of data at high bandwidths.

The company now employs 20 people and is based in Sophia-Antipolis. UDcast also has offices in Paris. For more information, see the company's Web site at <http://www.udcast.com>



Philippe Jacut, Marketing Director
philippe.jacut@udcast.com ☎ +33 1 69 59 21 90