Imagine Communications Acquires RGB Networks

Acquisition enhances Imagine Communications' end-to-end video distribution capability with Dynamic Ad Insertion, Just-in-Time Packaging and Cloud DVR Technology

DALLAS, Jan. 26, 2015 — Imagine Communications, a market leader in advertising management and video infrastructure solutions serving global TV networks, broadcast stations, multichannel video programming distributors, governments and enterprise markets, today announced it has signed a definitive agreement to acquire the assets of RGB Networks, Inc., a leading provider of multiscreen video delivery solutions based in Sunnyvale, California. The transaction, subject to customary approvals and closing conditions, will include the majority of RGB Networks' employees.

The acquired assets will be integrated into the Imagine Communications advertising management and video infrastructure portfolio. RGB Networks provides IP cloud-based video delivery solutions that help enable media providers to streamline and monetize TV Everywhere and OTT services with reliability and scalability. With core technology strengths in video packaging, cloud DVR, and ad insertion, RGB Networks' products are deployed in over 400 communication service providers worldwide. RGB Networks' technology enhances Imagine Communications' end-to-end video playout and distribution portfolio, extending the capabilities of the most comprehensive and widely deployed TV Everywhere and video processing and compression solutions available.

"As the industry's leading end-to-end video solutions company in the world, Imagine Communications is defining the blueprint for an IP, software-defined, cloud-virtualized, multiscreen future," said Charlie Vogt, CEO of Imagine Communications. "Our customers require video solutions that enable content to be delivered anywhere, anytime, and on any device. The acquisition of RGB Networks, combined with our innovation in video playout and distribution, enables us to strategically navigate the convergence of IP, mobility, and the Internet, which has changed the way we consume entertainment and information.

"We also gain an enviable customer base and will continue to support the RGB Networks product portfolio. Equally exciting, we are acquiring a world class technology, operations and sales team, which has been focused on IP and software-based cloud solutions for several years."

One of the biggest challenges facing TV networks, station groups, and MVPDs is the ability to dynamically package and format video content and accommodate the ever-expanding diversity of devices. With a rich history of transcoding leadership, RGB Networks' next-generation Just-in-Time Packaging simplifies and enhances the delivery of streaming media to a consumer's device of choice, complementing Imagine Communications' compression expertise and leadership in ABR transcoding and encoding. Just-in-Time Packaging enables media companies to deliver video on demand (VOD), cloud DVR and TV Everywhere services without pre-packaging video assets in each of the adaptive streaming formats. This drastically reduces the need for costly storage and network bandwidth – allowing video providers to more quickly and cost-effectively expand their TV Everywhere libraries and transition to new adaptive streaming formats.

"We are at an inflection point in the expansion of TV Everywhere, and Imagine Communications is delivering the end-to-end portfolio required to lead the industry through this disruptive period being defined by IP, software and the cloud," said Jef Graham, Chairman and CEO of RGB Networks. "By combining our award-winning innovations with Imagine Communications' vision and resources, our integrated portfolios will greatly advance the transformation of the video

delivery landscape. Our customers will benefit from Imagine Communications' high-touch services, extended support, and a broad portfolio of video playout and networking distribution solutions."

RGB Networks' Dynamic Ad Insertion (DAI) technology is designed for ABR and virtualized data-center/cloud environments, and is structured to dynamically manage and execute addressable ad and alternate content campaigns in unison. By integrating RGB Networks' streaming Dynamic Ad Insertion capabilities into its media portfolio, Imagine Communications will enable the delivery of personalized advertising in real-time, across all video stream types, and on subscribers' preferred viewing devices. This allows each component to optimize cloud and virtual instance resources, increasing subscriber engagement and revenue generation. RGB Networks' advanced packaging and transcoding portfolios ensure large-scale, cost-effective video delivery to any IP-enabled device.

"The introduction of IP-based, multiscreen delivery of video has produced dramatic changes in all aspects of the video industry, including licensing, delivery, consumption and business models," said Brett Sappington, director of research at Parks Associates. "Today, consumers expect to be able to access movies and TV programming anywhere, anytime, and on any Internet-connected device. Beyond virtualization of DVR functions, cloud DVR can provide consumers with new on-demand video experiences and operators' new opportunities for monetization. By getting the right ad in front of the right audience, new ad insertion technologies may well unlock the vast revenue potential of online video services."

To learn more about Imagine Communications, please visit www.imaginecommunications.com.

About Imagine Communications
Leveraging more than five decades of innovation, Imagine Communications Corp., is a global leader of advertising management and video infrastructure solutions serving global TV networks, broadcast station groups, multichannel video programming distributors, governments and enterprise markets spanning 185 countries. Today, nearly half of the world's video channels traverse through more than 3 million Imagine Communications products deployed around the world. Visit www.imaginecommunications.com for more information, and follow us on Twitter @imagine_comms.