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SeaChange's On Demand Group and Tele Munchen Gruppe Form On Demand Deutschland to Serve German TV Markets

Joint Venture to Accelerate VOD and PPV in One of Europe's Largest "Greenfield" Television Markets

ACTON, Mass.--(BUSINESS WIRE)--

On Demand Group, Ltd. (ODG), a subsidiary of SeaChange International, Inc. (Nasdaq: SEAC), and Tele Munchen Gruppe (TMG) have launched On Demand Deutschland, a Munich-based jointly-owned venture aimed at establishing on-demand and pay-per-view services on multiple platforms. On Demand Deutschland will cater to German-speaking Europe, the market recognized as continental Europe's greatest opportunity for advanced digital television services.

Germany, Austria and Switzerland boast more than 45 million German-speaking television households, although as yet the vast majority are not using digital subscription services. Video-on-demand cable television is still not widely available and IPTV is only a recent newcomer to the German market, the potential for which will drive enormous change in the business of television in the territory. Combining unmatched experience in movie acquisition and marketing to create On Demand Deutschland, ODG and TMG together have begun offering the region's television operators complete packages that bring compelling Hollywood movies and German-language content to eager audiences.

"We have the perfect combination of content and services to jump-start this market," Tony Kelly, CEO, On Demand Group. "We have already proven we can get our clients into the on-demand television business very rapidly, manage their services inside and out, and continue to grow the revenue with new packaging, content and service innovations. TMG adds significant local punch to make our offering the obvious choice for the region's operators."

"ODG is an experienced partner, which has proven its ability to establish successful on demand services in many European markets. We are looking forward to capturing the lucrative German speaking market together," said Dr. Herbert Kloiber, founder and managing shareholder, TMG.

Visit SeaChange and On Demand Group at IPTV World Forum London, March 5-7. Go to www.schange.com/iptv to set an appointment. On Wednesday, March 7, SeaChange's director of IPTV solutions, Venkat Krishnan, will participate in the conference session "Exploiting the Power of IP".

About TMG

Based in Munich, TMG is a fully integrated media company, which has been successfully operating in the market for 30 years. TMG is able to exploit all audio-visual rights through its own distribution channels. Its activities include the production and acquisition of feature films, TV productions and classical music programmes, as well as their distribution in the theatrical, video, broadcasting and merchandising sectors. Besides, TMG is a shareholder in the nationwide Free TV-stations Tele 5 and RTL II in Germany as well as ATV in Austria, the CinemaxX AG exhibition chain and the post-production service provider CineMedia Film AG. Visit www.tmg.de.

About SeaChange and On Demand Group

SeaChange International, Inc. (NASDAQ: SEAC) is a world leader in digital video solutions spanning broadband and broadcast. Its powerful software and systems enable television operators to provide new on-demand services and to gain greater efficiencies in advertising and content delivery. With its Emmy-winning MediaCluster(R) technology, thousands of SeaChange deployments are helping broadband, broadcast and satellite television companies to streamline operations, expand services and increase revenues. SeaChange is headquartered in Acton, Massachusetts and has product development, support and sales offices around the world. Visit www.schange.com.

On Demand Group (ODG) is a wholly-owned subsidiary of SeaChange, specialising in the development and management of transactional television services. ODG provides customers such as Virgin Media, Kabel Deutschland and others with end-to-end content solutions, combining services management and technology with speed to market. In 1998 ODG launched the Front Row television pay-per-view movie service over the U.K. cable network which became the largest pay-per-view movie service outside of the U.S. with, to date, more than 45 million paid viewings and over GBP 115 million in revenue. In 2004 ODG formed FilmFlex, a video-on-demand movie service with Sony Pictures and The Walt Disney Company as joint venture partners, which was launched over U.K. cable networks in 2005. Visit www.schange.com and www.ondemand.co.uk.

MediaCluster is a registered trademark of SeaChange International, Inc.

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