



TELEAGENT SYSTEMS

Telegent Systems survey reveals that free-to-air mobile TV is a “killer application” driving handset sales

- 74% of respondents watch TV on their handset for thirty minutes or longer
- 54% watch TV on their handset five times a week
- 88% find picture quality acceptable

SUNNYVALE, CA – April 29, 2008 – Telegent Systems, the company that makes television mobile with its high-performance single-chip mobile TV solutions, today revealed key findings of the industry’s first post-sale mobile TV survey. The survey shows that mobile TV can have a significant impact on handset sales, with 85% of respondents stating that the primary influence driving their handset purchase decision was the built-in free-to-air TV feature, as opposed to screen size, camera, music capability, or fashion.

The study, conducted in China where there are now more than three million users of free-to-air mobile TV, also reveals that free-to-air TV continues to be a compelling feature after purchase, with 74% of respondents watching television on their handset for thirty minutes or more at a time, and 54% watching five times a week.

“With more than five million consumers using Telegent-enabled handsets at the end of 2007, Telegent has been able to gain unprecedented insight into the impact of free-to-air mobile TV on consumer behavior,” said Weijie Yun, president & CEO of Telegent Systems. “Mobile TV, when it provides consumers with access to the same live, familiar programming that they view and enjoy at home, is a highly attractive feature with continuing perceived value following purchase.”

Free-to-air Mobile TV a High Utility Feature

The consumers in Telegent’s survey not only integrated free-to-air mobile TV into their daily routine, but also found long-term value in the feature. At the time of handset purchase, 90% found the free-to-air TV feature interesting or useful, and this remained true after four to six months of use. 60% of users proactively recommended the feature to friends and family.

Almost half of those surveyed watched TV on their handset while traveling, with 43% watching at home and 17% while at the office. Mobile TV was found to be most popular between 7-8pm, followed by a morning commute peak of 7-9am, allowing operators and broadcasters to reach a broader audience in a variety of locations.

The survey also showed a marked increase in mobile TV consumption with a strong preference for long-form programming. 54% of users surveyed five months ago watched mobile TV for ten minutes at a time, whereas 74% of the respondents surveyed in 2008 watched mobile TV for thirty minutes or longer.

“Mobile TV uptake is significantly influenced by the content that consumers are able to view on their handsets,” said Michelle Abraham, principal analyst at In-Stat. “The growing success of free-to-air mobile TV services suggests consumer preference for programs that are most like what people view at home.”

User Experience & Quality Playing Key Role in Adoption

Telegent’s survey also showed that key drivers for consumer awareness have been hands-on experience at the retail store (49%) and recommendations from friends and family (35%). More passive channels, such as TV and Internet, played a much less significant role, suggesting that personal experience with the TV feature either at or prior to the point of purchase has been key to spurring initial uptake.

Picture quality has also played a key role in market adoption, with 88% of respondents finding the quality acceptable. The consumers in the study who perceived quality as acceptable watched TV more frequently, for longer durations and were more likely to recommend the mobile TV feature to family and friends.

For this survey, Telegent interviewed more than 400 consumers who purchased Telegent-enabled handsets, half of which were interviewed in February 2008, and the other half of which were interviewed between July and September of 2007.

Telegent’s survey can be requested at <http://www.telegent.com/resources/survey.html>.

About Telegent Systems, Inc.

Telegent Systems is a leading fabless CMOS semiconductor company providing high performance, single-chip solutions enabling free-to-air and pay-per-view mobile TV in mobile handsets, portable devices and consumer electronics. Telegent's solutions make television mobile, delivering both analog and digital broadcast reception with unparalleled sensitivity and picture quality in mobile environments, ultra-low power consumption and the highest integration simplifying mobile device design and manufacture. Telegent Systems has its US headquarters in Sunnyvale, California and a subsidiary in China. For more information, visit www.telegent.com.

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