



kitdigital
vision of the future

Corporate Presentation | September 2011

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Hello.



We help our clients manage and deliver next-generation video experiences. Our software and services enable our customers to run large-scale, multi-screen programming for general audiences, employees, and constituents.

KIT digital has built and continues to manage some of the world's leading connected device experiences, including AT&T U-Verse, SeeSaw, SkyPlayer and Vodafone Germany, while providing broadband video infrastructure for such non media enterprises as Airbus, FedEx, SAP and Volkswagen.



Key Stats: KITD (NASDAQ GM)



Stock Price (19/9/11)	\$9.14
Avg. Daily Vol. (3 mo.)	468,987
52 Week Low/High	\$8.47 - \$17.32
Shares Outstanding	46.2M
Public Float, est.	37.6M
Market Capitalization	\$422.3M
Enterprise Value (est.)	\$363.3M
Institutional Holdings (ex-insiders) ¹	79%
Management Holdings (est.)	9%

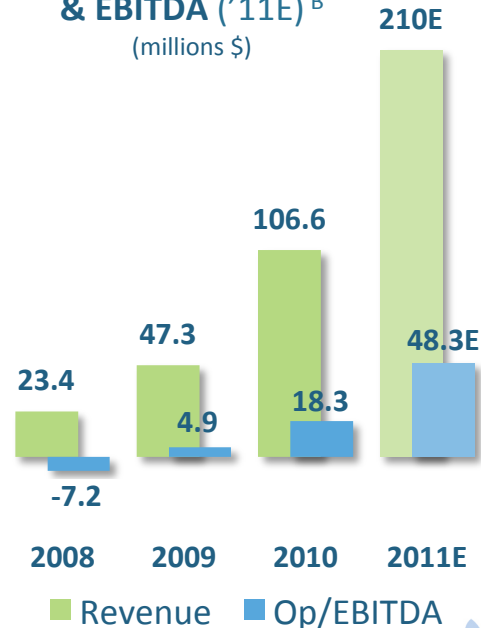
mrq = most recent quarter; ttm = trailing twelve months
mrq & ttm figures as of Q2 2011 ended June 30, 2011
Data Source: Capital IQ

¹ Institutional holdings as of August 9, 2011

Revenue FY10	\$106.6M
Revenue FY11, est. ^B	\$210M
Operating EBITDA Margin FY10	17%
EBITDA Margin FY11, est. ^B	23%
Cash	\$60.0M
Total Assets (mrq)	\$417.5M
Total Liabilities (mrq)	\$114.4M
Employees	1,200

^B Guidance issued and only effective only on May 10, 2011. Includes organic 2011 revenue guidance of \$137.5M and adds the estimated annualized run-rate and prospective growth rates of the acquired businesses (KickApps, Kewego, Kyte, Polymedia, and ioko), and adjusts for the approximate date of closing and seasonality of each. It was reconfirmed on August 9, 2011

**Annual Revenue,
Op. EBITDA ('08 -'10)
& EBITDA ('11E) ^B**
(millions \$)

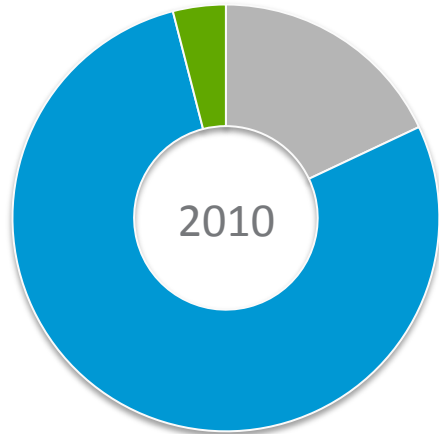


Video consumption and infrastructure are undergoing
a fundamental multi-year transformation

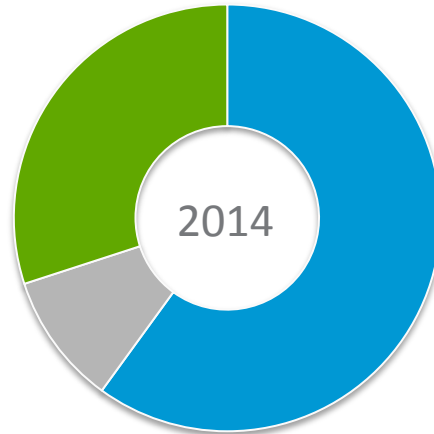


The format used to store & deliver video is changing

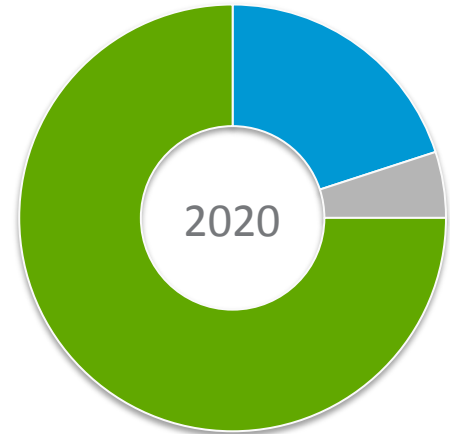
From 2010 to 2020, **IP-based** video will grow from **sub 5%** to **over 75%** as the dominant format for storage and delivery of video over **digital** and rapidly retiring **analogue** formats



4% of world video by format as business models emerge



30% as more consumer devices support IP video



75% as IP video becomes de facto broadcasting standard

US\$10-15 billion addressable market undergoing a transformation across formats, revenue models, and distribution systems

What is driving this transformation?

1. **Increased reliability** and sharp **decrease in cost** of application hosting and content delivery
2. **Cloud-based, distributed systems** now equaling traditional head-ends in reliability and efficiency
3. Explosion in number and variety of **publishing points that accept IP video** delivery (e.g., connected TVs, tablets, smartphones, etc)
4. **Next CapEx cycle** in the **broadcast industry** catch up **favors IP-based systems**



IP-video adoption brings **tangible** business advantages



Switch from a primarily CapEx-intensive infrastructure support model to an OpEx model where providers only pay for the infrastructure they need today



Unified multi-channel analytics providing deep insights into business models and user behavior



Flexibility to adapt to new devices, streaming formats, security measures, and consumption patterns without major re-engineering of the core service



Opportunity to explore new business models with syndication and lower friction sales channels available to content owners



We help our clients make the transition ...



From traditional, discrete systems with limited interoperability, to unified cloud-based management and delivery to the *n-screen* environment



We work with our partners to manage the video value chain on behalf of our clients, lens to lens



SONY



sorenson media

EQUINIX



NDS
World Leader • World Vision



Ikegami



Envivio



Managed
broadband
headend

ir.deta

Limelight
NETWORKS



HITACHI
Inspire the Next



digital
rapids



- Business Intel
- Meta data
- Streaming & Payout

NAGRA
KUDELSKI

HIGHWINDS

CDNetworks

Roku SAMSUNG

Panasonic

OCTOPUS
Simply the news. Anywhere.

ELEMENTAL



- Infrastructure management
- Analytics
- Security and distribution management

WIDEVINE

Microsoft
PlayReady®



JVC

Canon

ORAD
Mastering VideoGraphics

INLET
TECHNOLOGIES



edgecast



HARRIS

Haivision
NETWORK VIDEO

ARRIS

verimatrix

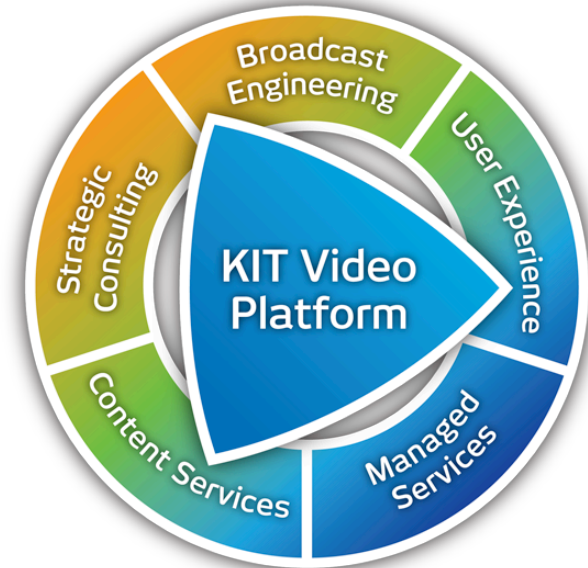
Level(3)
COMMUNICATIONS

SONY

Sample representative companies in the value chain

Clients are engaged by our services teams to **solve business problems** through video-based solutions

Our solutions drive usage of the **KIT Video Platform**

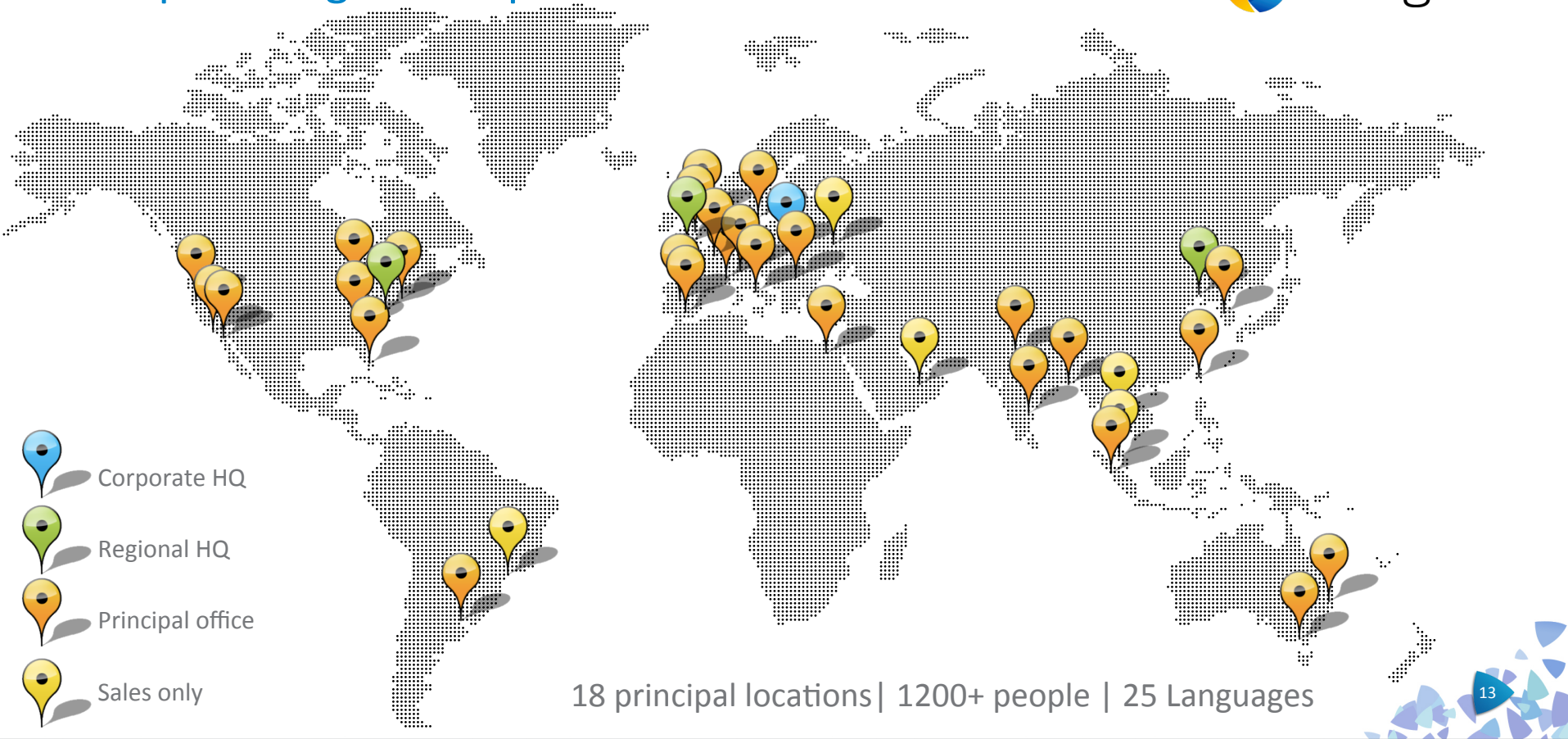


Client Solutions

A bit more about us...



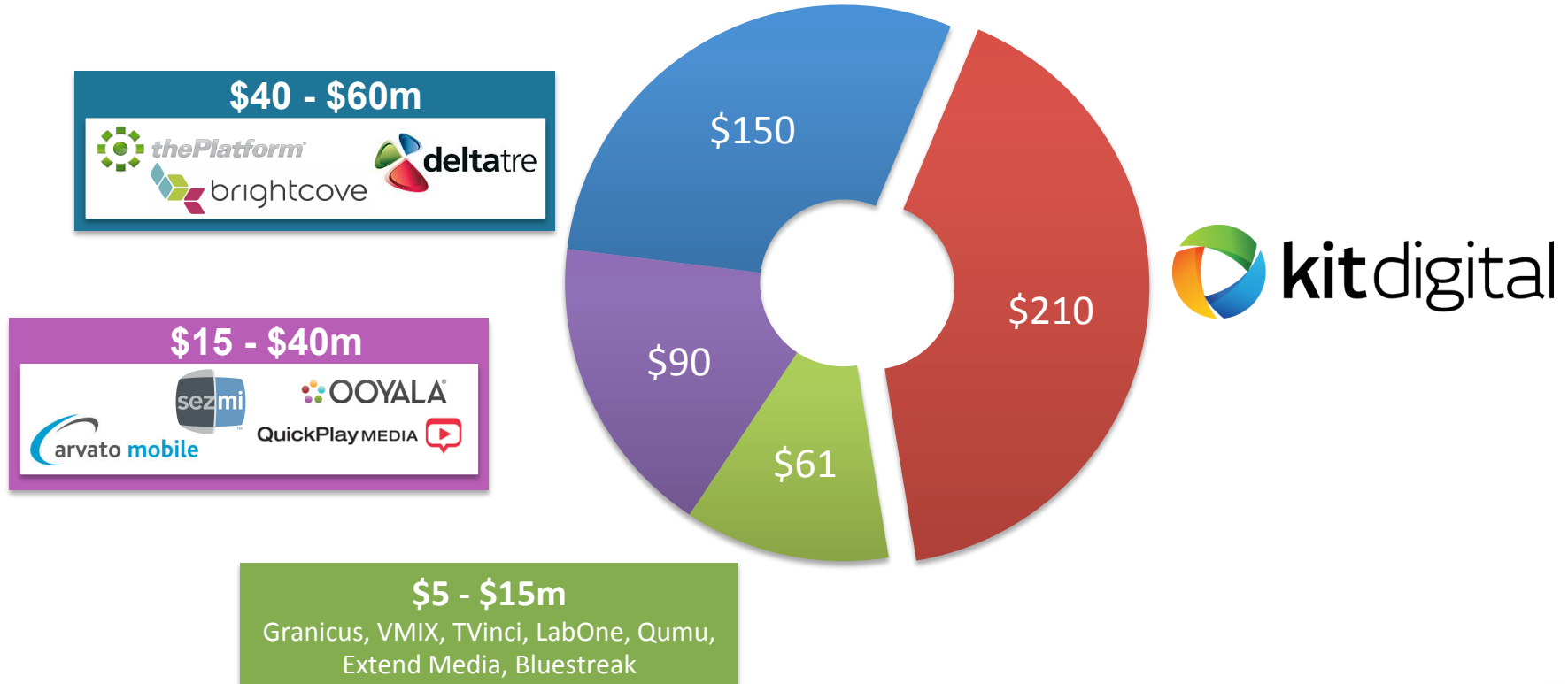
We provide global experience and local service



Over 2300 clients trust us with their next-generation video needs...



2011 competitive revenue estimates



KITD management estimates. Excludes VAMS revenues of larger corporations with dedicated development teams working in the space (e.g. Alcatel Lucent, Atos Origin, Accenture, etc.).

KIT Platform: cloud-based, broadcast-grade

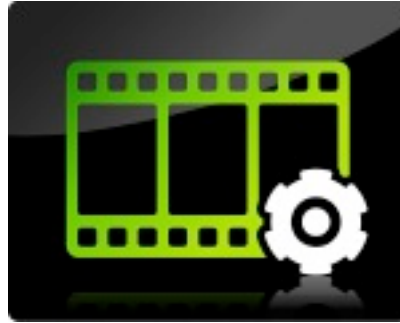


Produce, Manage and Deliver your content



PRODUCE

Capture content **live**,
from a **satellite**, or **video**
files in any format



MANAGE

Manage your **library**.
Transcode, **tag**, build
VoD & Linear offerings,
and **analyze** your data



DELIVER

Publish your content
to a mix of **screens**
including mobile, tv,
browser, game box,
signage, and tablet

Video management from production to distribution

Whether fitting out studios, operating downlinking facilities, or receiving secure Hollywood title mezzanine files, we allow our clients to accept any source of video, live or on demand. This flexibility allows for effective management of various sources of content for IP-based programming.



SaaS or private cloud management



Our KIT Cloud and KIT Cosmos editions allow clients to manage all technical and business aspects of their video solution, from cross account syndication to payment and subscription models.

kitcloud



Cloud-based, turnkey solution for social video publishing and monetization across multiple screens and devices.



kitcosmos



Hybrid or managed private cloud solution for advanced broadcast-grade multi-screen broadband TV deployments.



Unified distribution to connected devices

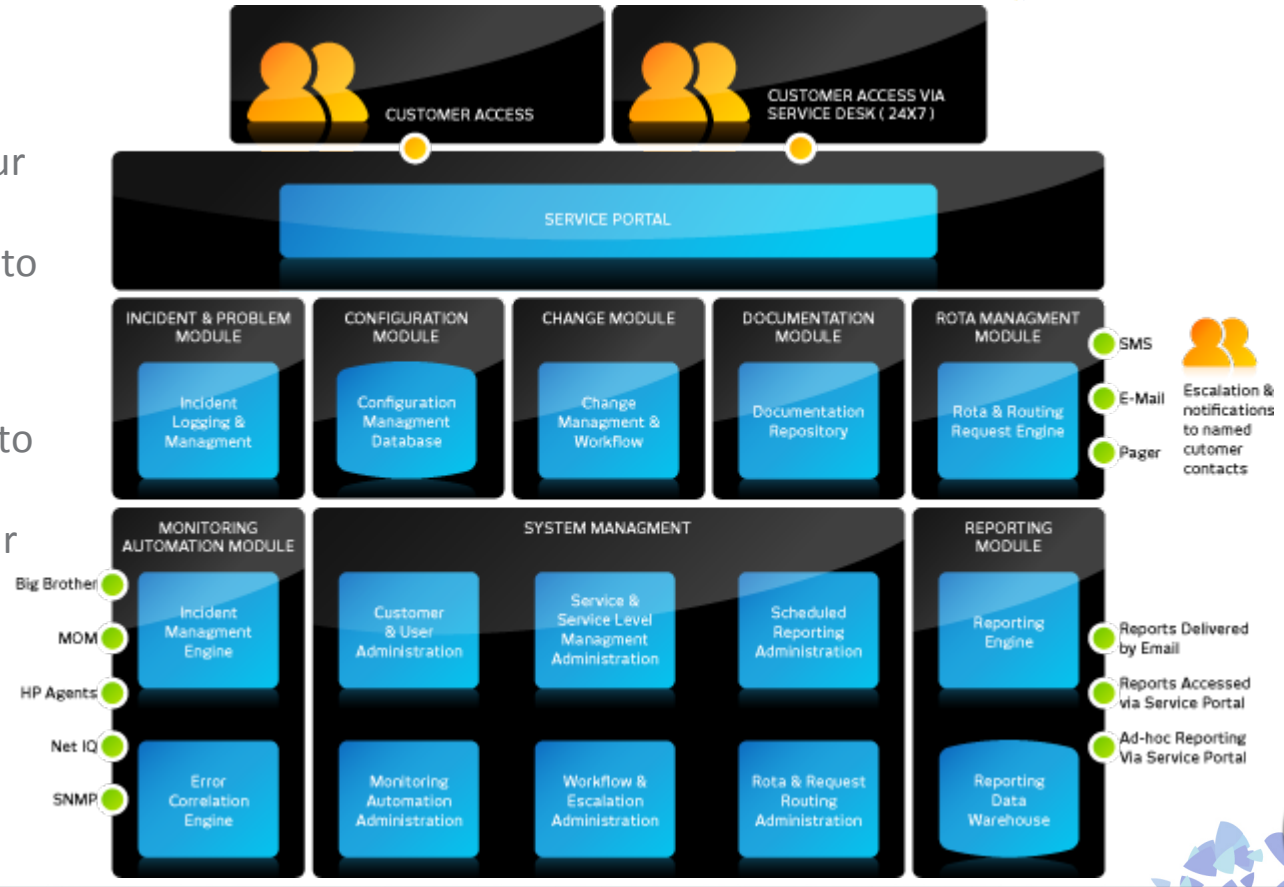
The ***KIT Connected Device Framework*** allows clients to distribute their video across multiple devices. Our framework is a toolkit that provides SDKs, APIs, and template applications for deploying KIT Cloud and KIT Cosmos solutions on most of the worlds smartphones, tablets, connected TVs and game consoles.



World class support infrastructure

Our 24/7/365 managed infrastructure team monitors all aspect of our clients solutions, from point of video ingestion to client-side distribution.

We are perfectly happy to manage our client's deployment inside of our data center, or monitor the service in their own data center.



THANK YOU

Kaleil Isaza Tuzman | Chairman & CEO | kaleil@kitd.com



Appendix | Executive Management

Executive Management



Kaleil Isaza Tuzman | Chairman & CEO

- Former President & COO of JumpTV Inc.
- Former Chairman & CEO of KPE, Inc.
- Formerly at Goldman Sachs I-Banking
- Acted as trade representatives for Presidents Clinton and Bush
- Former member of the US Council on Foreign Relations
- Graduated Magna Cum Laude from Harvard University



Robin Smyth | Chief Financial Officer

- Served as Partner at Infinity International, a consulting and IT recruitment operation
- Former EVP of Computer Consultants International
- Former CEO of CCI's European operations
- Served as Secretary and a Director of the All-States group of companies
- Holds a Bachelor of Economics degree from Monash University, Melbourne, Australia



Gavin Campion | President

- Founded marketing agency Reality Group in 1999
- Founded digital marketing agency Sputnik Agency
- Director of Shoppers Advantage, Australia's largest SaaS eCommerce business
- Appointed President of KIT digital in March 2008 and Director in November 2008
- Holds an Honors Degree in Marketing from the UK



Barak Bar-Cohen | Chief Administrative Officer

- Former CEO of Narrowstep, a TV on the internet company acquired by KITD
- Former CFO of Granham McCourt Acquisition Corporation, an acquisition vehicle focused on telecom and media space.
- Former VP of Marketing and PR at RCN Corporation
- Former VP of Zannex Nessuah Investments, a boutique i-bank in Tel Aviv
- Holds an MBA from the Tuck School of Business at Dartmouth



Alex Blum | Chief Operating Officer

- Former CEO of KickApps, an online publishing solutions provider acquired by KIT digital in 20011
- Former COO of JumpTV Inc.
- Formerly VP of Product Marketing at AOL
- Holds a Bachelors in Mechanical Engineering from the University of Colorado and an MBA from Albers School of Business at Seattle University



Scott Sahadi | Chief Strategy Officer

- Former CEO Americas at IOKO, an OTT solutions provider acquired by KITD
- Formerly with Verisign via the acquisition of Kontiki and Nortel via acquisition of Bay Networks.
- Holds a Bachelors of Economics from UCLA and a Masters in Finance and Marketing from University of Southern California



Laura Kaatz | MD, Strategic Accounts

- Over 15 years of telco business development experience across Tier 1 telecom and ISP providers
- Previously headed up channel partnerships at Sprint, EarthLink and Rogers Communications.
- Graduated University of Wisconsin with degrees in Biology and Chemistry



Frances Jarvis | Regional MD, EMEA

- Served as Partner at Infinity International, a consulting and IT recruitment operation
- Former EVP of Computer Consultants International
- Former CEO of CCI's European operations
- Served as Secretary and a Director of the All-States group of companies
- Holds a Bachelor of Economics degree from Monash University, Melbourne, Australia



Lou Schwartz | Regional MD, Americas

- Co-Founder and former CEO of Multicast Media, a VAMS company acquired by KITD in 2010
- Former corporate securities attorney driving over US\$3 billion in M&A transactions
- Received Law Degree from the Mississippi College School of Law



Steve Chung | Regional MD, Asia Pacific

- Former Chief Strategy Officer and EVP Global Markets of CDNetworks
- Served as Chief Operation Officer of Pan Media Corporation in Beijing
- Served as venture capitalist at BlueRun Venture in Silicon Valley
- Served as analyst for Goldman Sachs in New York
- Former graduate member of Board of Trustees at Stanford University and lecturer at China Foreign Affairs University
- Holds an AB from Harvard and an MBA from Stanford



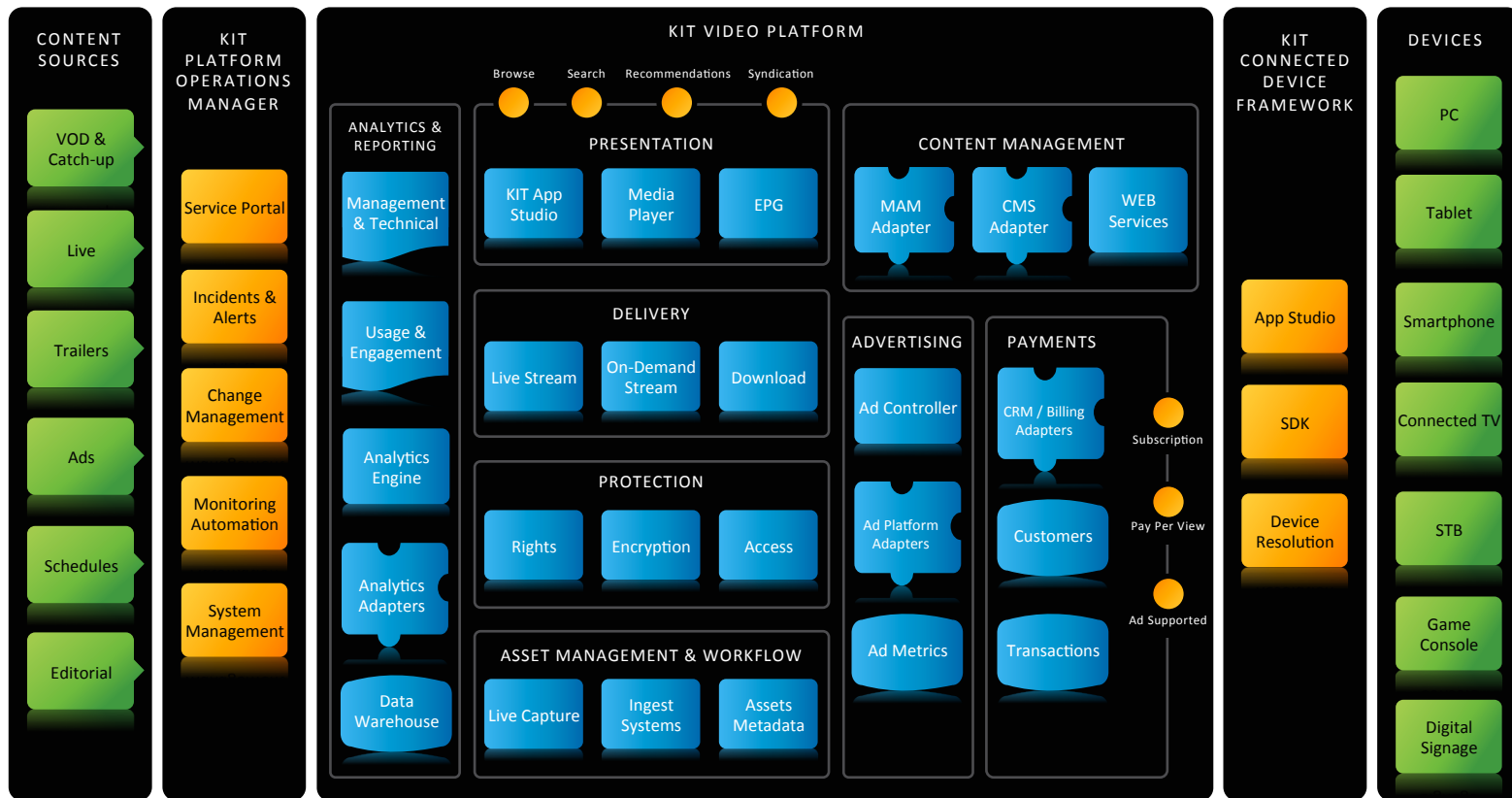
Appendix | Technology and Case Studies

for more information please visit kitd.com

Our technology



KIT Video Platform Architecture



Advanced multiscreen broadband TV deployments with a high degree of scalability.



KIT Platform Operations Manager

Manage incidents & alerts, system changes, and updates and to set up automatic monitoring of your video deployments.



Analytics & Reporting

Powerful integrated capabilities as well as integration with third party analytics platforms.



Asset Management and Workflow

Ingest all types and size of video content from single titles to an entire video library and use our advanced encoding technology to prepare your media for delivery in any format to any screen.



Protection

Protect your premium content from unauthorized viewing and re-use with a wide range of security options and digital rights management and encryption solutions such as Adobe Access, AES encryption, and RTMPE protocol.



Delivery

Aggregate your premium content assets into a movie VOD store or content marketplace platform where your subscribers can easily access and view your videos.



Presentation

Create custom apps and players with unprecedented speed and flexibility using the KIT App Studio.



Advertising & Payments

Support for ad supported, subscription based and transactional business models.



Content Management

Organize and manage your media library, easily create playlists, edit and tag your media, sync PowerPoint slides, assign appropriate user roles, and much more.



KIT Connected Device Framework

Reach and grow an increasingly connected audience by delivering high quality and consistent broadband TV experiences across a wide range of Internet TV, gaming consoles, mobile, and tablet platforms.

Seamlessly produce content and engage audiences with a unified, online, mobile, & social platform

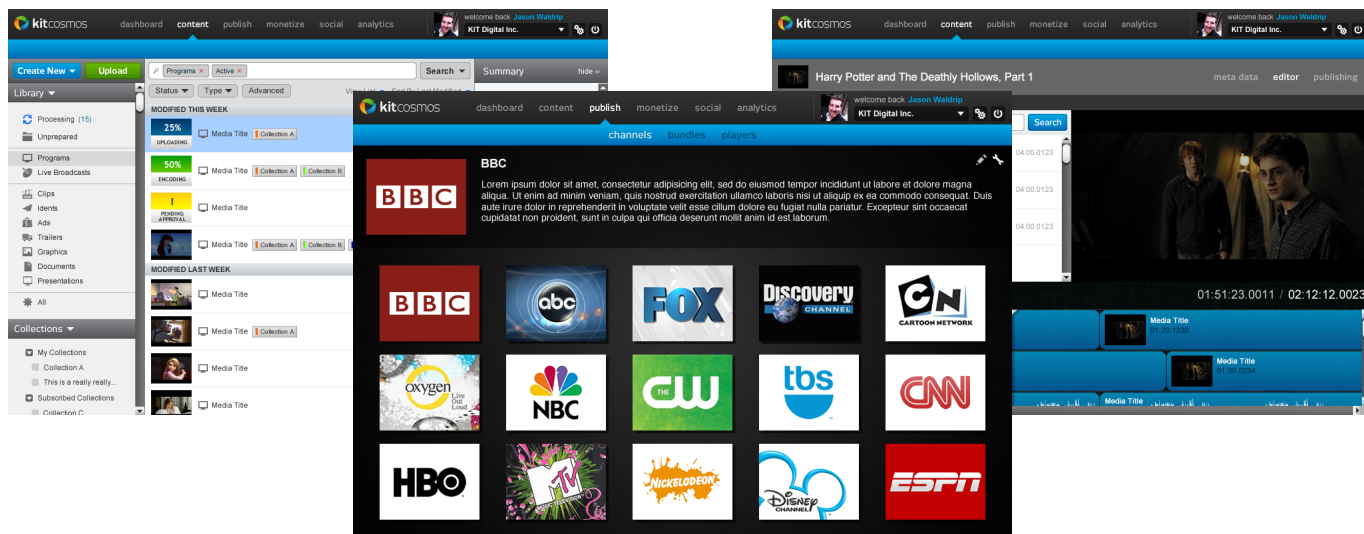
Cloud-based, turnkey solution for multiscreen social video publishing and monetization.

It combines online, mobile, and social video delivery so that content providers can seamlessly publish professional video content, engage audiences on any screen, and monetize their premium content assets.



Advanced, highly customized, and interactive multiscreen broadband TV deployments

Hybrid or managed private cloud solution for advanced multiscreen broadband TV deployments. The platform's broadcast-grade, modular architecture provides highly customized solutions that meet the demands of the world's most advanced and large-scale broadband video deployments.



KIT Cloud

The icon for KIT Cloud, showing a blue cloud with a white outline and a small white circle inside.

- Online and mobile video
- Branded UGC
- Multiscreen live events broadcasting
- Content marketplace
- Artists and personalities (music, radio, sports)
- Branded entertainment
- Brand marketing
- Viral video campaigns
- Lead generation webcasts
- Product tutorials and demos
- Corporate communications
- Facebook apps and extensions
- Player authoring toolset

KIT Cosmos

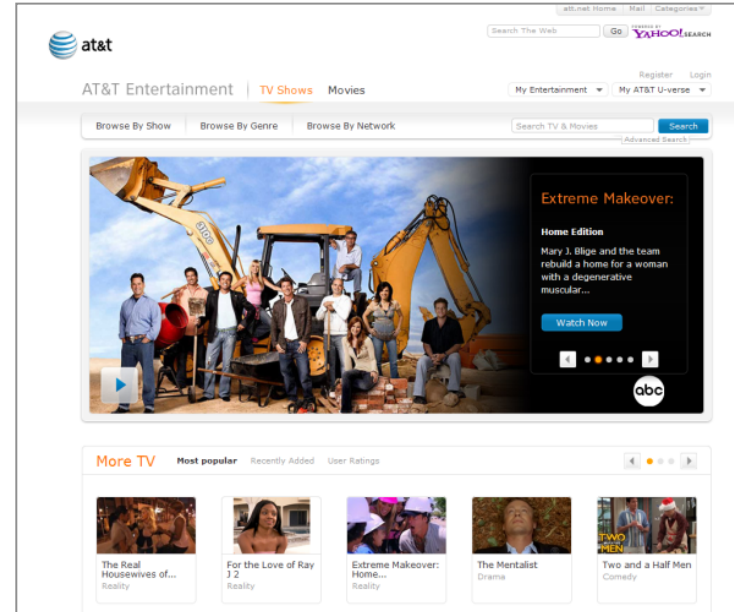
The icon for KIT Cosmos, showing a blue globe with white lines connecting various points on its surface.

- Multiscreen broadband TV experiences
- Premium, secured content workflow
- VOD store implementations
- Catch-up TV
- Linear Playout / EPG
- Integration
 - CRM
 - CMS/DAM/MAM
 - DRM
 - BI/Analytics
 - Broadcast Automation
 - Connected Devices
- Workflow Orchestration
- Live Signal Acquisition and VoD Integration
- Live Event streaming

Case Studies



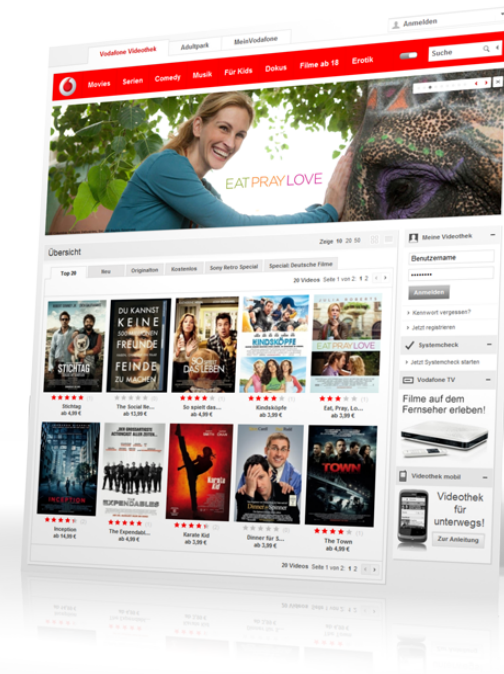
- Create a single source AT&T entertainment destination, showcasing free and premium content, serving the general public, while also providing an enhanced experience for U-verse and ATT wireless customer
- Video Delivery to PC, Mobile, Tablet, Netbook
- Integration with core ATT systems and U-verse platform
- Mixture of business models supported include ad supported, ppv and download to own
- Phase 1 launched in summer of 2009



- AP uses KIT's content marketplace solution to manage, modify, syndicate and deliver digital video news content globally.
- KIT digital edits, localizes and syndicates exclusive, unedited AP content, including the highly popular Wow! TV service. This localization service involves the dubbing of news, sport and entertainment content in more than 15 different languages.
- The APTNvideo.net platform is designed to allow website and mobile operators, along with commercial news broadcasters, to browse and download AP news, entertainment, and sports video content in the appropriate format for their individual needs.



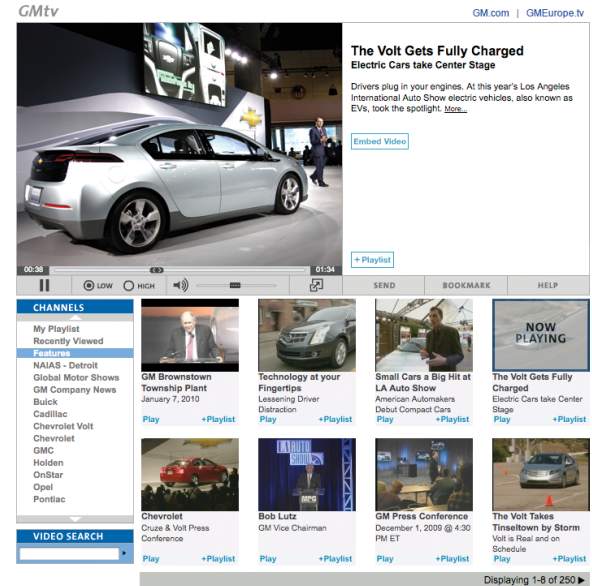
- With KIT digital, Vodafone delivers Video On Demand and Mobile TV to millions of subscribers in 19 markets on the Web, nearly 500 mobile and tablet devices, and IP-enabled televisions.
- Vodafone creates advanced live schedules of more than 200 channels worldwide such as CNN International, MTV, ESPN and operates 'Vodafone Videothek', which offers over 6,000 Hollywood-certified titles with rent, download and purchase viewing options.
- The Video KIT Platform also enables Vodafone to create complex schedules and EPG, including live and looped content, support 'placeholders' and advertising insertion; and manage content metadata and advanced user information – all from a single, streamlined interface.



- With KIT digital, Volkswagen implemented a worldwide video portal that encompasses consumers across six countries and nine of its famous brands: Volkswagen, Audi, Bentley, Bugatti, Lamborghini, SEAT, Skoda, Scania, and Volkswagen Commercial Vehicles.
- Viewers are able to interact with their favorite automobile brand and view the latest models. Since launching its online video portal, Volkswagen has seen a reduction in drop-off rates on its website and has boosted conversation rates throughout the sales cycle.
- Volkswagen plans to duplicate this model in eight additional countries and include more social experiences for additional community-building environments.



- With KIT digital, GM deployed a widely accessible video communication platform that enables the company to effectively and most importantly transparently communicate with the public, employees, investors, journalists and other interested parties.
- GM streams multiple large-scale live events each month and instantly makes them available on demand after the event.
- After implementing the KIT Video Platform, GM discontinued their satellite network and offers only cloud-based video delivery, saving an estimated \$15 million per year.



- With over nine million monthly views, MSN together with KIT digital launched Sweden's number one website with full video services.
- Launched in 2007, KIT digital produces, localizes and prepares content for MSN's three news information streams: News KIT today, WOW! TV, and Editors Choice.
- With KIT digital as a partner, MSN has driven traffic to its video streams and realized new revenue streams from advertisers.



- Sapphire Now is an essential global business event for senior executives, business managers, and decision makers that features keynotes from the SAP executive team and showcases customer success stories and best-practice industry insights.
- With KIT digital, SAP enhanced its real-time connectivity and user experience during the conference by streaming live sessions to the iPhone and iPad. The live viewing was exclusive to invite-only for SAP board members, executive staff and select press. Many of whom sat in one session while watching another on an iPhone or iPad, which enabled them to attend more sessions and hear from more thought leaders.



The Country Network



- Launched in October 2010, TCN is the only television network dedicated exclusively to airing country music videos, delivering “all country music, all the time.”
- With the KIT Video Platform, TCN is able to take advantage of the latest advances in IP broadcasting and will be available in more than 20 million US households.
- By providing TCN with the ability to broadcast its content over IP on its terrestrial infrastructure, KIT removed the expense associated with legacy satellite-based uplink and delivery, and helped the network to quickly integrate with traditional broadcast distribution systems, in addition to delivering programming via new channels such as the web and mobile networks.



- KIT digital's solution enables PMT to deliver tens of thousands of hours of high quality video content directly to customers' homes via its Ovivo Media subscription in Russia on connected television sets.
- PMT also is able to analyze viewing habits and demographic data to generate a customized playlist for each end user and to place personalized ads to target audiences.
- The solution is customized for PMT's needs to upload the video content 24 hours prior to publishing it in order to proactively combat bandwidth risks for uploading large volumes of media content each day.

