Zurich, 30 August 2012

Dear Shareholders
Dear Staff
Dear Friends and Partners of Tamedia

Tamedia's half-year figures for 2012 reflect the developments that have taken place in the Swiss advertising market. The advertisement statistics compiled by the Swiss media association (Verband Schweizer Medien) indicate a fall of 12 per cent for print media in terms of net advertising revenues and a 10 per cent drop in the case of daily newspapers. Meanwhile, job advertisements were dealt a particularly severe blow, down by 23 per cent compared with the first six months of 2011.

Tamedia's revenues duly fell by 5.4 per cent to CHF 524.0 million (previous year: CHF 554.2 million). Two thirds of this fall can be attributed to the Print Regional business division. The revenues recorded by the Digital business division were lower than expected. The business division contributed 12.1 per cent (previous year: 11.1 per cent) to total revenues, while the Print Regional business division contributed 47.2 per cent (previous year: 48.7 per cent). The Print National business division once again delivered a strong performance, contributing 40.8 per cent to total revenues (previous year: 40.2 per cent).

The lower advertising revenues also had an impact on income. Operating income before depreciation and amortisation (EBITDA) fell by 22.5 per cent to CHF 89.3 million (previous year: CHF 115.1 million). The EBITDA margin is now 17.0 per cent (previous year: 20.8 per cent). Operating income (EBIT) fell by 31.6 per cent to CHF 60.3 million (previous year: CHF 88.1 million). The EBIT margin is 11.5 per cent (previous year: 15.9 per cent). Net income from continuing operations declined to CHF 59.3 million (previous year: CHF 87.3 million). Radio and TV stations in particular, along with specialist agricultural and car magazines, are not included in continuing operations. Total comprehensive income including discontinued operations now amounts to CHF 73.7 million (previous year: CHF 87.7 million). Special items totalling CHF 19.5 million are included in this figure. These comprise gains (after tax) from the disposal of *Capital FM*, *TeleBärn* and *TeleZüri* activities, totalling CHF 14.2 million, and the decrease of CHF 5.3 million in the expected amount of the last instalment towards the purchase price obligation for Edipresse Suisse.

Key figures

in CHF mill.		30.06.2012	30.06.2011 [1]	Change in %
Operating revenues		524.0	554.2	(5.4)
Operating income before depreciation and amortisation (EBITDA)		89.3	115.1	(22.5)
Margin	in %	17.0	20.8	(18.0)
Operating income (EBIT)		60.3	88.1	(31.6)
Margin	in %	11.5	15.9	(27.6)
Net income (loss) of continuing operations		59.3	87.3	(32.1)
Net income (loss) of discontinued operations		14.4	0.4	n.a.
Net income (loss)		73.7	87.7	(16.0)
Margin	in %	14.1	15.8	(11.1)
Net income (loss) per share (undiluted)	in CHF	7.00	8.23	(14.9)
Cash flow from operating activities		106.4	88.4	20.3
Total assets of 30 June / 31 December		1 636.3	1 741.0	(6.0)
Equity ratio as of 30.06./31.12	in %	59.8	54.9	8.9

1 The figures of the prior period have been adjusted with retroactive effect due to the reclassification of discontinued operations. More information can be found in the section on reclassifications of discontinued operations.

Operational reporting of Tamedia for the first half of 2012

All the figures provided in the tables have been rounded. Minor rounding differences may occur as the calculations have been carried out with a high degree of accuracy.

Segment information of continuing business divisions

in CHF mill.	Print Regional[1]	Print National[1]	Digital	Elimination	**Total**
As of 30.06.2011[2]					
Third parties	270.0	222.9	61.3	–	**554.2**
Intersegment	45.2	0.5	2.9	(48.6)	–
Operating revenues	**315.2**	**223.4**	**64.2**	**(48.6)**	**554.2**
Operating expenses	**(262.5)**	**(167.2)**	**(58.0)**	**48.6**	**(439.1)**
Operating income before depreciation and amortisation (EBITDA)	**52.8**	**56.2**	**6.2**	–	**115.1**
Margin[3]	16.7%	25.1%	9.6%	–	20.8%
Depreciation and amortisation	(18.6)	(2.7)	(5.7)	–	**(27.0)**
of which relating to publishing rights (IFRS 3)	(2.4)	(2.5)	(3.0)	–	**(7.9)**
of which relating to impairment of goodwill	–	–	–	–	–
Operating income (EBIT)	**34.2**	**53.5**	**0.5**	–	**88.1**
Margin[3]	10.8%	23.9%	0.8%	–	15.9%
Average number of employees	2 208	628	440	–	**3 276**
As of 30.06.2012					
Third parties	247.1	213.6	63.3	–	**524.0**
Intersegment	31.2	0.4	0.2	(31.8)	–
Operating revenues	**278.4**	**214.0**	**63.5**	**(31.8)**	**524.0**
Operating expenses	**(236.7)**	**(162.6)**	**(67.3)**	**31.8**	**(434.8)**
Operating income before depreciation and amortisation (EBITDA)	**41.7**	**51.4**	**(3.8)**	–	**89.3**
Margin[3]	15.0%	24.0%	–5.9%	–	17.0%
Depreciation and amortisation	(19.0)	(2.8)	(7.2)	–	**(29.0)**
of which relating to publishing rights (IFRS 3)	(2.5)	(2.8)	(3.0)	–	**(8.3)**
of which relating to impairment of goodwill	–	–	–	–	–
Operating income (EBIT)	**22.7**	**48.6**	**(11.0)**	–	**60.3**
Margin[3]	8.2%	22.7%	–17.3%	–	11.5%
Average number of employees	2 092	659	601	–	**3 353**

1 The internal revenues reported gross in the previous year and associated expenditures of the marketing activities of Publications romandes in the Print Regional business division are now reported net. The figures of the previous year's period have been adjusted with retroactive effect.
2 The figures relating to the prior period have also been adjusted with retroactive effect due to the reclassification of discontinued operations. Further information can be found in the section on discontinued operations.
3 The margin relates to operating revenues.

Print Regional

The revenue of the Print Regional business division decreased by 11.7 per cent to CHF 278.4 million. In what was a negative market environment, most regional daily and weekly newspapers recorded lower revenues than during the first half of the previous year. Particularly marked falls in revenue were recorded by *Tages-Anzeiger* with its job supplements *Alpha* and *Stellen-Anzeiger*, as well as by *24heures* and *Tribune de Genève*. Half of the fall in revenue recorded by the Print Regional business division was due to a decrease in sales of job advertisements. In contrast, printing facilities, which are also included in the Print Regional business division, exceeded expectations. The stable readership figures for regional dailies was another gratifying aspect. Operating income before depreciation and amortisation (EBITDA) for the Print Regional business division fell from CHF 52.8 million to CHF 41.7 million. This equates to what remains a sound EBITDA margin of 15.0 per cent (previous year: 16.7 per cent). Operating income at EBIT level also fell, down from CHF 34.2 million to CHF 22.7 million. The EBIT margin is now 8.2 per cent (previous year: 10.8 per cent).

Print National

The revenues recorded by the Print National business division declined by only 4.2 per cent to CHF 214.0 million. The lower figure can mainly be attributed to *Femina*, *Finanz und Wirtschaft*, *Le Matin* and *SonntagsZeitung*. The *20 Minuten* commuter newspapers and the magazines *Annabelle, Das Magazin* and *Schweizer Familie* were able to largely maintain the previous year's revenue figures. The business magazine *Bilan* and the Ticino commuter newspaper *20 minuti*, which moved into the black during only its second half-year, were included in the figures for the first time. With operating income before depreciation and amortisation (EBITDA) of CHF 51.4 million (previous year: CHF 56.2 million), the Print National business division has once again demonstrated its earning power. Meanwhile, income levels fell with regard to the publications *Finanz und Wirtschaft* and *Le Temps,* which are highly dependent on the financial market, and with regard to the women's magazine *Femina.* Operating income (EBIT) was down from CHF 53.5 million to CHF 48.6 million. This puts the EBIT margin at a pleasing 22.7 per cent, slightly below the previous year's level (23.9 per cent).

Digital

The online media reported under the Digital business division were able to maintain their revenue levels for the greater part, with a drop of only 1.0 per cent to CHF 63.5 million. Both *20 Minuten Online* and the *Newsnet* platforms once again strongly expanded their reach over the previous year. Investment in editorial teams and the expansion of the advertising and service portals did not prove as profitable as had been hoped. Both *20 Minuten Online* and *Newsnet* developed less favourably than expected. In contrast, the real estate portal *homegate.ch* recorded renewed growth in revenues, whilst the *Jobup* jobs portals felt the effects of the sluggish labour market and, in common with the *car4you.ch* site and the small ads platform *piazza.ch,* suffered a fall in revenues. Other factors impacting on income levels included investments in the successful expansion of the directory platform *search.ch* and the costs associated with the now abandoned auction platform *scoup.ch*. The Digital business division's operating income before depreciation and amortisation (EBITDA) fell by CHF 10.0 million to CHF −3.8 million (previous year: CHF 6.2 million). Operating income (EBIT) was also negative, at CHF −11.0 million (previous year: CHF 0.5 million). The EBIT margin is now −17.3 per cent (previous year: 0.8 per cent).

From the shareholders' perspective, it is gratifying to note that Tamedia's equity grew by CHF 22.1 million to reach CHF 977.9 million. The equity ratio thus amounts to a solid 59.8 per cent (compared with 54.9 per cent at the end of 2011). A contributory factor in this regard was the payment of CHF 127.9 million for Edipresse Suisse (now Tamedia Publications romandes), which resulted in a marked fall in non-current liabilities. This key figure for shareholders was also influenced by a one-off disposal gain of CHF 14.2 million after taxes from the sale of *Capital FM*, *TeleBärn* and *TeleZüri*.

Tamedia expects the market environment to remain difficult in the second half of the year. Over the next few months, the company will therefore be focusing on measures to boost revenues and efficiency with the aim of achieving a clear improvement in net income in the Print Regional and Digital business divisions.

We will be updating you on the progress of these and other projects with the publication of our 2012 annual results on 21 March 2013.

Sincerely

Dr. Pietro Supino
Chairman of the Board of Directors

Martin Kall
Chief Executive Officer

Financial reporting of Tamedia for the first half of 2012

Consolidated Income Statement

in CHF mill.	30.06.2012	30.06.2011 [1]
Operating revenues	**524.0**	**554.2**
Operating expenses	**(434.8)**	**(439.1)**
Operating income before depreciation and amortisation (EBITDA)	**89.3**	**115.1**
Depreciation and amortisation	(29.0)	(27.0)
Operating income (EBIT)	**60.3**	**88.1**
Share of net income (loss) of associated companies	4.7	3.3
Other financial income	10.0	18.3
Income before taxes	**74.9**	**109.7**
Income taxes	(15.7)	(22.3)
Net income (loss) of continuing operations	**59.3**	**87.3**
Discontinued operations	14.4	0.4
Net income (loss)	**73.7**	**87.7**
of which		
Attributable to Tamedia shareholders	74.1	87.1
Attributable to non-controlling interests	(0.4)	0.6

1 The figures refer to continuing operations in 2012.

Net Income per Share

in CHF	30.06.2012	30.06.2011
Net income (loss) per share (undiluted)	7.00	8.23
Net income (loss) per share (diluted)	7.00	8.22
Net income (loss) of continuing operations per share (undiluted)	5.64	8.19
Net income (loss) of continuing operations per share (diluted)	5.64	8.19

Consolidated Statement of Comprehensive Income

in CHF mill.	30.06.2012	30.06.2011
Net income (loss)	**73.7**	**87.7**
Share of assets recognised directly in the equity of associated companies	–	(0.8)
Value fluctuation financial assets	(0.3)	0.7
Actuarial gains/(losses) IAS 19	12.8	(21.0)
Currency translation differences	0.0	0.1
Taxes on other comprehensive income	(2.9)	4.8
Other comprehensive income	**9.6**	**(16.2)**
Total comprehensive income	**83.3**	**71.5**
of which		
Attributable to Tamedia shareholders	83.8	70.9
Attributable to non-controlling interests	(0.4)	0.6

Consolidated Balance Sheet

in CHF mill.	30.06.2012	31.12.2011
Current assets of continuing operations	**239.5**	**322.6**
Assets held for sale	67.7	87.6
Current assets	**307.3**	**410.2**
Non-current assets	**1 329.0**	**1 330.8**
Total assets	**1 636.3**	**1 741.0**
Current liabilities of continuing operations	**478.0**	**493.5**
Liabilities associated with assets held for sale	9.9	13.1
Current liabilities	**487.9**	**506.6**
Non-current liabilities	**170.5**	**278.6**
Total liabilities	**658.4**	**785.2**
Equity, attributable to Tamedia shareholders	**965.0**	**939.9**
Non-controlling interests	12.9	15.9
Equity	**977.9**	**955.8**
Total liabilities and shareholders´ equity	**1 636.3**	**1 741.0**

Consolidated Cash Flow Statement

in CHF mill.	30.06.2012	30.06.2011 [1]
Direct method		
Cash flow from trading activities	**104.5**	**97.3**
Cash flow from operating activities	**106.4**	**88.4**
Cash flow from (used in) investing activities	**(31.3)**	**7.1**
Cash flow after investing activities	**75.1**	**95.5**
Increase/(decrease) in shares of non-controlling shareholders	(2.5)	(0.8)
Cash flow from (used in) financing activities	**(176.5)**	**(69.3)**
Cash flow of discontinued operations	**30.7**	**23.9**
Impact of currency translation	**0.0**	**0.4**
Change in cash and cash equivalents	**(70.7)**	**50.5**
Cash and cash equivalents as of 1 January	114.6	53.5
Cash and cash equivalents of discontinued operations as of 1 January	13.2	–
Cash and cash equivalents as of 30 June	51.1	95.3
Cash and cash equivalents of discontinued operations as of 30 June	6.0	8.8
Change in cash and cash equivalents	**(70.7)**	**50.5**

1 The figures refer to continuing operations in 2012.

Statement of Changes in Equity

in CHF mill.	Share capital	Treasury shares	Currency translation differences	Reserves	**Equity, attributable to Tamedia shareholders**	Non-controlling interests	**Equity**
As of 31 December 2010	**106.0**	**(15.3)**	**0.7**	**747.7**	**839.2**	**4.5**	**843.7**
Net income (loss)	–	–	–	87.1	**87.1**	0.6	**87.7**
Share of assets recognised directly in the equity of associated companies	–	–	–	(0.8)	**(0.8)**	(0.0)	**(0.8)**
Value fluctuation financial assets	–	–	–	0.7	**0.7**	–	**0.7**
Actuarial gains/(losses) IAS 19	–	–	–	(21.0)	**(21.0)**	–	**(21.0)**
Currency translation differences	–	–	0.1	–	**0.1**	–	**0.1**
Taxes on other comprehensive income	–	–	–	4.8	**4.8**	–	**4.8**
Total comprehensive income	–	–	**0.1**	**70.8**	**70.9**	**0.6**	**71.5**
Dividends paid	–	–	–	(41.3)	**(41.3)**	(0.1)	**(41.5)**
Change in the group of consolidated companies	–	–	–	–	–	11.2	**11.2**
Shares to be delivered	–	–	–	31.0	**31.0**	–	**31.0**
(Purchase)/sale of treasury shares	–	(3.2)	–	–	**(3.2)**	–	**(3.2)**
As of 30 June 2011	**106.0**	**(18.5)**	**0.8**	**808.3**	**896.6**	**16.2**	**912.7**
As of 31 December 2011	**106.0**	**(18.6)**	**0.8**	**851.7**	**939.9**	**15.9**	**955.8**
Net income (loss)	–	–	–	74.1	**74.1**	(0.4)	**73.7**
Share of assets recognised directly in the equity of associated companies	–	–	–	–	–	–	–
Value fluctuation financial assets	–	–	–	(0.3)	**(0.3)**	–	**(0.3)**
Actuarial gains/(losses) IAS 19	–	–	–	12.8	**12.8**	–	**12.8**
Currency translation differences	–	–	0.0	–	**0.0**	–	**0.0**
Taxes on other comprehensive income	–	–	–	(2.9)	**(2.9)**	–	**(2.9)**
Total comprehensive income	–	–	**0.0**	**83.8**	**83.8**	**(0.4)**	**83.3**
Dividends paid	–	–	–	(59.5)	**(59.5)**	(2.5)	**(62.0)**
Change in the group of consolidated companies	–	–	–	–	–	–	–
Share-based payments	–	–	–	0.4	**0.4**	–	**0.4**
(Purchase)/sale of treasury shares	–	0.4	–	–	**0.4**	–	**0.4**
As of 30 June 2012	**106.0**	**(18.3)**	**0.8**	**876.4**	**965.0**	**12.9**	**977.9**

General comments

The unaudited consolidated interim financial statements as at 30 June 2012 have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Reporting". The same accounting standards have been applied as in the Annual Report 2011, and the new standards and interpretations effective from 1 January 2012 have also been taken into account. The consolidated interim financial statements were approved by the Board of Directors of Tamedia AG on 24 August 2012.

The preparation of the consolidated financial statements requires that the Management Board and the Board of Directors make estimates and assumptions that directly impact the amounts of the assets and liabilities, contingent liabilities, as well as the expenditures and income disclosed in the consolidated financial statements for the reporting period. These estimates and assumptions not only take past experience into account but also developments in the state of the economy and are mentioned wherever relevant. They are subject to risks and uncertainties. The actual results may deviate from these estimates.

Accounting standards

The following revised standards (IFRS) were applied for the first time during the reporting period. Their first-time application did not lead to any significant changes in the consolidation and valuation principles or in the assets or income situation.

— IAS 12 "Income Taxes" (supplemented)
— IFRS 7 "Financial Instruments: Disclosures" (supplemented)

Reclassification of discontinued operations

Various activities were reported both in the interim financial statements for the first half of 2012 and with retroactive effect under discontinued operations. This reclassification affects the income statement, cash flow statement and segment information. The previous year's figures for these components of the report have thus been adjusted accordingly.

Segmentation

Information on segment reporting can be found in the operational reporting section.

Changes to the group of consolidated companies

In the first half year of 2012, the following changes were made to the group of consolidated companies.

Belcom AG, Radio 24 AG

On 4 January 2012 Tamedia sold its 100 per cent stake in Belcom AG, the marketing organisation in which the sales teams of *Radio 24* and *TeleZüri* are bundled, to AZ Medien AG. The deconsolidation resulted in the derecognition of CHF 14.4 million in assets (of which cash and cash equivalents of CHF 6.3 million) and of CHF 3.3 million in liabilities. With effect from 12 July 2012, the sale of the 100 per cent stake in Radio 24 AG to BT Holding AG also led to the derecognition of assets of CHF 36.0 million (of which cash and cash equivalents of CHF 0.9 million) and of liabilities of CHF 1.6 million (all figures as at end of June 2012). The sales price for these two companies totals CHF 36.1 million plus dividends of CHF 9.3 million, which were paid to Tamedia after the sale. Further information can be found in the section on discontinued operations.

Further changes to the group of consolidated companies

The following changes were made in order to simplify the structure of the Tamedia Group:

Edipub SA

The company was merged with Tamedia Publications romandes SA (previously Edipresse Publications SA) with retroactive effect from 1 January 2012.

20 Minutes Romandie SA, tillate Schweiz AG

The companies were merged into 20 Minuten AG with retroactive effect from 1 January 2012.

Espace Media Groupe AG

The company was merged into Espace Media AG with retroactive effect from 1 January 2012.

Glattaler AG

The *Glattaler* business activity was carved out of Zürcher Regionalzeitungen AG with retroactive effect from 1 January 2012 to become part of the newly established Glattaler AG.

FMA Fachmedien Agrar AG

The agricultural media business activity ceased to be part of Espace Media AG with retroactive effect from 1 January 2012 and now forms part of the newly created FMA Fachmedien Agrar AG. The already announced sale of FMA Fachmedien Agrar AG is planned for the second half of 2012.

Income statement

Information on revenues, EBITDA and EBIT of the business divisions as well as selected media can be found in the segment information section of operational reporting.

Current depreciation and amortisation remained stable, at CHF 29.0 million. This includes the impairment of intangible assets in the Digital business division totalling CHF 1.8 million.

The share of net income of associated companies increased to CHF 4.7 million in the first half of 2012, compared with CHF 3.3 million in the previous year. Other financial income was down by CHF 8.3 million to CHF 10.0 million during the period under review. This decrease was primarily due to the lower level of net financial income resulting from the application of IAS 19 and to a fall in other sources of financial income. During the previous year, other financial income included a non-recurring revaluation gain in the amount of CHF 12.1 million from the previously held investment in Edipresse Suisse and from joint ventures. Meanwhile, the adjustment in the expected amount of the final purchase price obligation for Edipresse Suisse also contributed non-recurring financial income of CHF 5.3 million. Additionally, the sale of investments generated gains of CHF 1.7 million during 2012, whilst the previous year saw a need for impairment charges of CHF 0.5 million on Tamedia's associated companies. Interest costs during the first half of the year were CHF 0.5 million lower than in the same period of the previous year.

The effective tax rate applicable to continuing operations rose slightly, up from 20.3 to 20.9 per cent.

Discontinued operations

The products and investments listed below are disclosed in the income statement and balance sheet as discontinued operations. The resolutions of the Board of Directors and their decision that the necessary criteria are fulfilled form the basis for the decision as to whether these activities are to be disclosed as discontinued operations or as assets held for sale. To the extent that assets held for sale still exist for these operations as of the balance sheet date, they are disclosed separately as such in the balance sheet. The prior year figures in the income statement and segment reporting have been adjusted accordingly. The radio and TV activities *TeleBärn a*nd *TeleZüri* and specialist media in the automotive sector in the form of *Automobil Revue* and *Revue Automobile* were included under discontinued operations during the previous year. No retroactive adjustments have been made to the balance sheet.

Radio and TV operations and specialist media

In April 2011 Tamedia made the decision to end its involvement in radio and TV broadcasting. Consequently, on 4 January 2012, AZ Medien AG and BT Holding AG acquired Tamedia's TV operations *TeleBärn and TeleZüri* and its 100 per cent stake in Belcom AG. On 27 April, Zürichsee Media AG acquired the radio broadcaster *Capital FM*. The sale of Radio 24 to BT Holding AG was completed after the balance sheet date on 12 July 2012. Plans are also in place for the sale of the specialist agricultural publications *Schweizer Bauer* and *Terre & Nature.* Further information on the transactions not yet completed as at 30 June 2012 are provided under "Events after the balance sheet date".

Net assets held for sale

Net assets held for sale fell by CHF 16.6 million from CHF 74.5 million to CHF 57.9 million. This reduction is essentially due to the sale of radio and TV activities during the first half of 2012. In particular, this meant the derecognition of the net assets associated with Belcom AG's operations and of the *Capital FM*, *TeleBärn* und *TeleZüri* products compared with 31 December 2011. No significant new net assets for sale were added during the first half of 2012.

Key figures of discontinued operations

in CHF mill.		30.06.2012	30.06.2011
Operating revenues		27.6	35.3
Operating expenses		(8.6)	(30.5)
Depreciation and amortisation		(0.2)	(0.2)
Operating income (EBIT)		**18.8**	**4.6**
Net financial income (loss)		(0.0)	(0.2)
Income before taxes		**18.7**	**4.4**
Income taxes		(4.3)	(0.2)
Net income (loss) from the valuation of assets		–	(3.8)
Net income (loss)		**14.4**	**0.4**
Net income (loss) of discontinued operations per share [1]	in CHF	1.36	0.04

in CHF mill.	30.06.2012	31.12.2011
Current assets	7.3	19.6
Non-current assets	60.5	68.0
Assets	**67.7**	**87.6**
Current liabilities	8.4	11.6
Non-current liabilities	1.5	1.5
Liabilities	**9.9**	**13.1**
Net assets	**57.9**	**74.5**

in CHF mill.	30.06.2012	30.06.2011
Cash flow from operating activities	0.2	4.7
Cash flow from (used in) investing activities	31.1	20.2
Cash flow from (used in) financing activities	(0.6)	–
Change in cash and cash equivalents	**30.7**	**24.9**

1 Both diluted and undiluted

Balance sheet

Total assets fell by CHF 104.7 million from CHF 1,741.0 million to CHF 1,636.3 million during the first half of 2012. Shareholders' equity rose by CHF 22.1 million to CHF 977.9 million. The equity ratio is now a solid 59.8 per cent. Due to actuarial changes resulting from the application of IAS 19, a positive amount of CHF 12.8 million (before deferred taxes) was reported in the statement of comprehensive income, compared with a decrease of CHF 21.0 million during the previous year. CHF 59.5 million (a dividend of CHF 5.75 per share) was distributed to the shareholders of Tamedia AG from the capital contribution reserves. Additionally, during the first six months of 2012 treasury shares with a value of CHF 0.4 million were used for the employee profit participation plan and for share-based components of the Management Board's profit participation scheme that had fallen due. The difference between the acquisition cost and higher market value at the time of the use of the treasury shares in the amount of CHF 0.4 million was recorded directly in equity. The 250,000 treasury shares to be used to pay the third instalment towards the purchase price for Edipresse Suisse were recorded directly in equity on the basis of the share price as at 31 December 2010, namely in the amount of CHF 31.0 million. Tamedia holds all of the shares required to pay the purchase price.

The current assets of continuing operations increased by CHF 83.1 million to CHF 239.5 million. The biggest changes in current assets resulted from the decrease of CHF 63.5 million in cash and cash equivalents and the fall of CHF 14.0 million in accrued income and prepaid expenses. Assets held for sale, which are reported separately, fell by CHF 19.9 million to CHF 67.7 million (see also the section on net assets held for sale).

Non-current assets remained practically unchanged at CHF 1,329.0 million. Investments of CHF 27.0 million in property, plant and equipment and in intangible assets contrasted with outflows of CHF 4.5 million and depreciation and impairment losses totalling CHF 29.0 million. With regard to financial assets, the net fall of CHF 4.9 million in investments in associated companies to CHF 88.8 million contrasted with an increase of CHF 8.1 million in loans. These were granted to non-consolidated investments and in conjunction with the sale of a property.

The review of the carrying amounts of the goodwill positions for possible impairment resulted in no writedowns. However, impairment losses of CHF 1.8 million were recorded on intangible assets in the Digital business division.

The current liabilities of continued operations were down by CHF 15.4 million to CHF 478.0 million. This is primarily due to the fall in the outstanding amount owed for the purchase of Edipresse Suisse to CHF 13.6 million. During the reporting period, Tamedia paid a total of CHF 127.9 million towards the purchase price, with the remaining payment obligation being transferred from non-current to current liabilities. Current liabilities to banks, in contrast, increased by CHF 12.7 million to CHF 97.5 million. Liabilities for current tax also rose by CHF 10.6 million to CHF 31.0 million. Current provisions for social plan benefits and litigation risks, however, were down by CHF 1.4 million for the first half of the year.

Non-current liabilities declined by CHF 108.1 million to CHF 170.5 million. This was primarily the result of the reclassification of the purchase price obligation for Edipresse Suisse from non-current liabilities to current liabilities and the CHF 19.9 million reduction in employee benefit obligations pursuant to IAS 19. Non-current provisions increased slightly by CHF 0.3 million to CHF 8.9 million.

Events after the balance sheet date and those not taken into account in the financial statements

Sale of Radio 24 AG

With effect from 12 July 2012, Tamedia sold its 100 per cent stake in Radio 24 AG to BT Holding AG. Further details are provided in the section covering Belcom AG and Radio 24 AG and changes to the group of consolidated companies.

Sale of Schweizer Bauer and Terre & Nature

During the second half of 2012, the Basel-based publisher Dominique Hiltbrunner will take over FMA Fachmedien Agrar AG and the 49 per cent stake in *Schweizer Bauer* from Espace Media AG. The corresponding deconsolidation will result in the derecognition of approximately CHF 17.8 million in assets (of which cash and cash equivalents of approximately CHF 5.2 million) and of CHF 4.7 million in liabilities (all values as at the end of June 2012). The sales price is partly variable and is estimated at around CHF 10.4 million.

Also during the second half of 2012, the Biel-based Gassmann media house is set to acquire the newspaper *Terre & Nature* from Tamedia Publications romandes. This deconsolidation is likely to result in the derecognition of approximately CHF 5.6 million in assets (of which cash and cash equivalents of approximately CHF 0.4 million) and of CHF 3.1 million in liabilities (all values as at the end of June 2012). The sales price is partly variable and is estimated at around CHF 6.0 million.

No other known events took place after the balance sheet date that would need to be reported as per IAS 10. Any events for which no definitive decisions had been agreed prior to the financial statements for the first half of 2012 being approved for publication will be communicated separately.

Financial calendar
The results for 2012 are scheduled for publication on Wednesday, 21 March 2013.

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