

Turnover growth through Edipresse Suisse – operating income (EBIT) jumps to CHF 88 million

The Swiss media company, Tamedia increased its turnover in the first half-year by 55.1 per cent to CHF 558.9 million (previous year CHF 360.3 million). The integration of Edipresse Suisse contributed significantly to this result. The share of revenues of the fast-growing Digital business division amounted to 11.0 per cent (previous year 9.5 per cent). At CHF 88.7 million, the EBIT has almost doubled in comparison with the previous year (CHF 46.7 million). The net income from continuing operations now amounts to CHF 87.5 million (previous year: CHF 48.1 million). Martin Kall will hand over his responsibilities at the beginning of 2013 to his current deputy and designated successor Christoph Tonini. As of this point in time Martin Kall is expected to be elected to the Board of Directors.

Zurich, 31 August 2011 – The media company Tamedia again increased its net income in the first six months of the year 2011 and shows the best half-year result of the last ten years. The first-time consolidation of Presse Publications SR S.A. (Edipresse Suisse) contributed significantly to this result. The turnover grew by 55.1 per cent to CHF 558.9 million (previous year CHF 360.3 million). The new segment reporting underlines the growing importance of digital media at Tamedia. The external share of revenues of the fast-growing Digital business division amounts to 11.0 per cent (previous year 9.5 per cent). The Print Regional business division contributed 53.4 per cent (previous year 47.9 per cent), the Print National business division 35.6 per cent (previous year 42.6 per cent) to revenues. The company's operating expense rose a disproportionately low 49.2 per cent to CHF 443.1 million.

The operating income before depreciation and amortisation (EBITDA) increased by a substantial 82.7 per cent to CHF 115.8 million (previous year: CHF 63.4 million). The EBITDA-margin increased markedly and is now at a pleasing 20.7 per cent (previous year: 17.6 per cent). At CHF 88.7 million, Tamedia's operating income (EBIT) for the first half of 2011 is almost double the previous year's figure (CHF 46.7 million). The EBIT margin is 15.9 per cent (previous year: 12.9 per cent). The net income from continuing operations rose to CHF 87.5 million (previous year: CHF 48.1 million). Radio and TV stations and the automobile specialist media are not included in the continuing operations. The net income including discontinued operations now amounts to CHF 87.7 million (previous year: CHF 52.5 million).

Key figures in CHF mill.	30.06.2011	30.06.2010 ¹	Change in %	
Operating revenues	558.9	360.3	55.1	
Operating income before depreciation and amortisation (EBITDA)	115.8	63.4	82.7	
Margin	in %	20.7	17.6	17.8
Operating income (EBIT)	88.7	46.7	90.1	
Margin	in %	15.9	12.9	22.5
Net income (loss) of continuing operations	87.5	48.1	82.0	
Net income (loss) of discontinued operations	0.3	4.5	(94.2)	
Net income	87.7	52.5	67.0	
Margin	in %	15.7	14.6	7.6
Net income per share	in CHF	8.23	5.03	63.6
Cash flow from operating activities	89.1	77.2	15.4	
Total assets as at 30.06./31.12.	1 721.4	1 233.6	39.6	

Equity ratio	in %	53.0	68.4	(22.5)
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¹ The figures of the prior period have been adjusted with retroactive effect due to the reclassification of discontinued operations.

After recovering in the previous year, advertising exposure rose only slightly in the first six months 2011. The advertising statistics of the Swiss Media Association (Verband Schweizer Medien) indicate growth of 2 per cent for print media in terms of net advertising revenues and 1 per cent for the daily newspapers. Job advertisements were up a pleasing 4 per cent while real estate advertisements declined by 9 per cent.

Change in the Management Board

Martin Kall, Chairman of the Tamedia Management Board since April 2002, has decided to pursue a new career challenge from 2013. The Tamedia Board of Directors has nominated Christoph Tonini, the current Vice Chairman of the Management Board, as Martin Kall's successor when he leaves the company. Christoph Tonini, 41 years old and a member of the Management Board since 2003, was previously responsible for Finance, Services and Newspapers Switzerland and currently heads the Media Switzerland and Digital business divisions. Martin Kall is expected to be elected to the company's Board of Directors at the Annual General Meeting in 2013.

New segment reporting

The merger with Edipresse Suisse resulted in Tamedia's introduction of new segment reporting by market. The Print Regional business division comprises all regional newspapers and gazettes. All areas that hitherto fell under the Services business division are being integrated into the Print Regional business division. The Print National business division comprises all newspapers and magazines that have a national focus. The integration of those areas, which operate almost exclusively for internal clients, into the Print Regional business division and the reporting of the two business divisions Print National and Digital enhance comparability with other media companies. The Digital business division, which is set to gain importance over the next few years, will for the first time encompass all online media.

Print Regional

The revenues of the Print Regional business division increased by 83.1 per cent to CHF 343.9 million. The growth is to be attributed mainly to the first-time consolidation of the titles of Edipresse Suisse, in particular to the *24 heures* and *Tribune de Genève* dailies, which contributed CHF 137.3 million to the business division's revenues. The *Zürichsee-Zeitung* and *Zürcher Unterländer* dailies, for the first time included for a full six months, also made a positive contribution to revenues. The revenues of the other newspapers registered mostly stable development. The printing centres, likewise now included in the new Print Regional business division, reported a renewed decline in revenues due to price adjustments. The improvement in the net income reported by the Print Regional business division is broadly based. The operating income before depreciation and amortisation (EBITDA) of the Print Regional business division jumped from CHF 23.6 million to CHF 51.3 million. Income at EBIT level more than tripled to CHF 32.7 million over the previous year (CHF 9.9 million). The EBIT margin is now 9.5 per cent (previous year: 5.3 per cent).

Print National

The revenues of the Print National business division increased by 48.2 per cent to CHF 229.0 million. The growth was mainly to be attributed to the first-time consolidation of the titles of Edipresse Suisse, in particular to the *Le Matin* daily and the *Le Matin Dimanche* Sunday newspaper, as well as the now fully-consolidated French-speaking *20 minutes* commuter newspaper, which contributed CHF 75.1 million. The *20 Minuten* commuter newspaper and *Annabelle* women's magazine once again made a positive contribution to the rise in revenues, whereas *Schweizer Familie* and *Finanz und Wirtschaft* had to contend with a fall in revenues. The revenues of the other print media registered mostly stable development. The development of net in-

come – which was positive almost right across the board – led to an improvement in the operating income before depreciation and amortisation (EBITDA) of the Print National business division from CHF 37.3 million to CHF 58.3 million. The operating income (EBIT) improved to CHF 55.5 million (previous year: CHF 36.8 million). This put the EBIT margin at a pleasing 24.2 per cent, slightly above the previous year's level (23.8 per cent).

Digital

The online media reported under the Digital business division continued their strong growth. The revenues of the Digital business division increased by 78.3 per cent to CHF 64.2 million. The online media of Edipresse Suisse and the *car4you.ch* online platform, which were consolidated for the first time, together with the now fully consolidated *homegate.ch*, *jobup.ch* and *swissfriends.ch* online platforms, contributed CHF 21.2 million to the growth. *20 Minuten Online* and the *Jobup* job platforms continued to show pleasing growth. The *search.ch* directory platform likewise reported strong growth in revenues. The operating income before depreciation and amortisation (EBITDA) of the Digital business division improved by CHF 3.7 million to CHF 6.2 million (previous year CHF 2.5 million) despite high corporate spending in the expansion of the editing teams of *20 Minuten Online* and *Newsnetz* as well as of *search.ch*. The operating income (EBIT) remained at a low level of CHF 0.5 million (previous year: CHF -0.1 million). The EBIT margin is now 0.8 per cent (previous year: -0.4 per cent).

Business divisions in summary

in CHF mill.	Operating revenues		Operating income (EBIT)	
	30.06.2011	30.06.2010 ¹	30.06.2011	30.06.2010 ¹
Print Regional	343.9	187.9	32.7	9.9
Print National	229.0	154.5	55.5	36.8
Digital	64.2	36.0	0.5	(0,1)
Elimination	(78.2)	(18.1)	–	–
Total	558.9	360.3	88.7	46.7

¹ The figures of the prior period have been adjusted with retroactive effect due to the reclassification of discontinued operations.

Further information

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Portrait

Tamedia is a Swiss media company with headquarters in Zurich. With its daily and weekly newspapers, magazines, online platforms and newspaper printing facilities, Tamedia is one of the leading media companies in Switzerland. The company was founded in 1893 and has been listed on the Swiss securities market since 2000 (symbol TAMN, securities number 1117825, ISIN CH001117825). Tamedia employs approximately 3'500 persons.

For further information on Tamedia, please visit: www.tamedia.ch

Our 2011 half-year report is available at: www.tamedia.ch > Investor Relations > Finanzberichte

Newsletter-Service: www.tamedia.ch > Newsletter