Zurich, 22 August 2013

Dear Shareholders
Dear Staff
Dear Friends and Partners of Tamedia

The revenues recorded by Swiss media group Tamedia grew by 6.0 per cent during the first half of 2013 to reach CHF 536.8 million (previous year: CHF 506.2 million), with the increase attributable to acquisitions. EBITDA rose by 10.3 per cent to reach CHF 96.7 million (previous year: CHF 87.6 million), with EBIT up by 8.1 per cent to CHF 63.8 million (previous year: CHF 59.0 million). These positive developments can be attributed to the rise in revenues and income recorded by the Digital business division, which accounted for 20.8 per cent of revenues (previous year: 12.2 per cent), 27.3 per cent (previous year: −4.9 per cent) of EBITDA and 23.2 per cent (previous year: −19.5 per cent) of EBIT. Rising income from digital operations therefore more than offset the structural decline in the Print Regional and Print National business divisions. The EBITDA margin is now 18.0 per cent (previous year: 17.3 per cent), and the EBIT margin is 11.9 per cent (previous year: 11.7 per cent).

Net income from continuing operations rose slightly to CHF 54.8 million (previous year: CHF 53.4 million). Compared with the previous year, there were no longer any discontinued operations as at the reporting date. Total comprehensive income including discontinued operations, at CHF 54.7 million, is thus down on the previous year's figure of CHF 67.8 million.

Key figures

in CHF mill.		30.06.2013	30.06.2012[1]	Change in %
Operating revenues		536.8	506.2	6.0
Operating income before depreciation and amortisation (EBITDA)		96.7	87.6	10.3
Margin	in %	18.0	17.3	4.0
Operating income (EBIT)		63.8	59.0	8.1
Margin	in %	11.9	11.7	1.9
Net income (loss) of continuing operations		54.8	53.4	2.6
Net income (loss) of discontinued operations		(0.1)	14.4	n.a.
Net income (loss)		54.7	67.8	(19.4)
Margin	in %	10.2	13.4	(24.0)
Net income (loss) per share (undiluted)	in CHF	4.94	6.45	(23.5)
Cash flow from (used in) operating activities		67.1	107.7	(37.6)
Total assets as of 30 June / 31 December		2 112.6	2 063.4	2.4
Equity ratio as of 30.06./31.12	in %	60.3	58.1	3.8

1 The figures for the prior period have been adjusted due to restatement. Further information can be found in the section on restatement.

Operational reporting of Tamedia for the first half of 2013

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	Print National	Digital	Elimination	**Total**
As of 30.06.2012					
Third parties	242.6	201.8	61.8	–	**506.2**
Intersegment	29.8	(0.1)	0.0	(29.7)	–
Operating revenues	**272.5**	**201.7**	**61.8**	**(29.7)**	**506.2**
Operating expenses	**(231.8)**	**(150.5)**	**(66.1)**	**29.7**	**(418.6)**
Operating income before depreciation and amortisation (EBITDA)	**40.7**	**51.2**	**(4.3)**	–	**87.6**
Margin [1]	14.9%	25.4%	–6.9%	–	17.3%
Depreciation and amortisation	(18.8)	(2.6)	(7.2)	–	**(28.6)**
of which relating to publishing rights (IFRS 3)	(2.4)	(2.7)	(4.6)	–	**(9.7)**
of which relating to impairment of goodwill	–	–	–	–	–
Operating income (EBIT)	**21.8**	**48.7**	**(11.5)**	–	**59.0**
Margin [1]	8.0%	24.1%	–18.6%	–	11.7%
Average number of employees	2 046	602	584	–	**3 232**
As of 30.06.2013					
Third parties	232.5	192.6	111.8	–	**536.8**
Intersegment	27.5	0.9	0.2	(28.5)	**(0.0)**
Operating revenues	**260.0**	**193.5**	**111.9**	**(28.5)**	**536.8**
Operating expenses	**(223.6)**	**(159.6)**	**(85.5)**	**28.5**	**(440.2)**
Operating income before depreciation and amortisation (EBITDA)	**36.4**	**33.9**	**26.4**	–	**96.7**
Margin [1]	14.0%	17.5%	23.6%	–	18.0%
Depreciation and amortisation	(18.4)	(3.0)	(11.6)	–	**(32.9)**
of which relating to publishing rights (IFRS 3)	(2.5)	(2.9)	(7.1)	–	**(12.5)**
of which relating to impairment of goodwill				–	–
Operating income (EBIT)	**18.1**	**30.9**	**14.8**	–	**63.8**
Margin [1]	6.9%	16.0%	13.2%	–	11.9%
Average number of employees	1 948	675	770	–	**3 392**

1 The margin relates to operating revenues.

Print Regional

The revenue of the Print Regional business division decreased by 4.6 per cent to CHF 260.0 million. In what was a negative market environment, most regional daily and weekly newspapers experienced a fall in sales. Measures introduced to increase efficiency were not enough to offset this decline in full. Meanwhile, however, the printing facilities, which form part of the Print Regional business division, mainly performed in line with expectations thanks to new orders from third parties. Operating income before depreciation and amortisation (EBITDA) for the Print Regional business division fell from CHF 40.7 million to CHF 36.4 million. This equates to an EBITDA margin of 14.0 per cent (previous year: 14.9 per cent). Operating income at EBIT level also fell, down from CHF 21.8 million to CHF 18.1 million. The EBIT margin is now 6.9 per cent (previous year: 8.0 per cent).

Print National

Despite the first-time inclusion of *Metroxpress,* the revenues recorded by the Print National business division declined by 4.1 per cent to CHF 193.5 million on account of a fall in advertising investment, which mainly affected the commuter newspaper *20 Minuten*, *20 minutes*, women’s magazine *Annabelle* and *SonntagsZeitung*. In contrast, the magazine *Schweizer Familie* was able to more or less match the previous year’s level. The financial publications *Bilan* and *Finanz und Wirtschaft* ended their downward trend and successfully eliminated their losses. Similarly, the people magazine *20 Minuten Friday* succeeded in moving back into the black. The Print National business division's operating income before depreciation and amortisation (EBITDA) dropped to CHF 33.9 million (previous year: CHF 51.2 million) due to factors such as the investment in *Metroxpress* and the expansion of *SonntagsZeitung*. Operating income (EBIT) was down by 48.7 per cent to CHF 30.9 million, while the EBIT margin, at 16.0 per cent, was significantly below the previous year's level (24.1 per cent).

Digital

The Digital business division saw its revenues jump by 81.1 per cent from CHF 61.8 million to CHF 111.9 million. Key factors in this gratifying development were the first-time inclusion of JobCloud AG (Tamedia currently holds a 62.9 per cent interest) and of *FashionFriends* (Tamedia holds a 65.0 per cent interest) for a full six-month period, and also the first-time consolidation of *Olmero/Renovero* (Tamedia holds a 92.8 per cent interest) in April 2013. The news platforms *20 Minuten* and *Newsnet* also recorded slight improvements in their results with higher revenues. Investment in the expansion of the *search.ch* directory platform translated into a positive development in revenues, while the real estate portal *homegate.ch* was able to maintain a high level of revenues and income. The Digital operating division's operating income before depreciation and amortisation (EBITDA) increased considerably to CHF 26.4 million (previous year: CHF −4.3 million). Operating income (EBIT) improved from CHF −11.5 million to CHF 14.8 million, a figure that includes a revaluation gain of CHF 5.6 million on the step up acquisition of *Olmero/Renovero*. The EBIT margin is now a gratifying 13.2 per cent (previous year: −18.6 per cent).

Shareholders' equity rose by CHF 75.1 million to CHF 1,273.6 million. The equity ratio is now a solid 60.3 per cent (compared with 58.1 per cent at the end of 2012). Contributory factors included the positive amount of CHF 92.2 million (before deferred taxes) from actuarial changes to employee benefit obligations pursuant to IAS 19 "Employee benefits", which is recognised directly in equity.

Tamedia expects the advertising market for print media to continue to decline during the second half of the year. Over the next few months, the group will therefore be focusing on measures to boost revenues and efficiency with the aim of recording an improvement in net income in the Print Regional and Print National business divisions and on further investment in the digital sector. Following approval by the Swiss Federal Competition Commission, Tamedia is planning to acquire a 75 per cent interest in the ticket agent Starticket. Additionally, a joint venture with the Norwegian media house Schibsted is planned in the online classified ads and car classifieds market, which will bring together Tamedia's *car4you.ch* and *piazza.ch* with Schibsted's *tutti.ch*.

We will be updating you on the progress of these and other projects with the publication of our 2013 annual results on Thursday, 13 March 2014.

Sincerely

Dr. Pietro Supino	Christoph Tonini
Chairman of the Board of Directors	Chief Executive Officer

Financial reporting of Tamedia for the first half of 2013

Consolidated income statement

in CHF mill.	30.06.2013	30.06.2012[1]
Operating revenues	**536.8**	**506.2**
Operating expenses	**(440.2)**	**(418.6)**
Operating income before depreciation and amortisation (EBITDA)	**96.7**	**87.6**
Depreciation and amortisation	(32.9)	(28.6)
Operating income (EBIT)	**63.8**	**59.0**
Share of net income (loss) of associated companies/joint ventures	4.5	5.2
Other financial income	(1.4)	2.9
Income before taxes	**66.9**	**67.2**
Income taxes	(12.1)	(13.8)
Net income (loss) of continuing operations	**54.8**	**53.4**
Discontinued operations	(0.1)	14.4
Net income (loss)	**54.7**	**67.8**
of which		
Attributable to Tamedia shareholders	51.7	68.3
Attributable to non-controlling interests	3.0	(0.5)

1 The figures for the prior period have been adjusted due to restatement. Further information can be found in the section on restatement.

Net income per share

in CHF	30.06.2013	30.06.2012
Net income (loss) per share (undiluted)	4.94	6.45
Net income (loss) per share (diluted)	4.93	6.44
Net income (loss) of continuing operations per share (undiluted)	4.94	5.09
Net income (loss) of continuing operations per share (diluted)	4.94	5.08

Consolidated statement of comprehensive income

in CHF mill.	30.06.2013	30.06.2012
Net income (loss)	**54.7**	**67.8**
Value fluctuation financial assets	0.4	(0.3)
Actuarial gains/(losses) IAS 19	92.2	19.7
Currency translation differences	(0.0)	–
Taxes on other comprehensive income	(20.3)	(4.3)
Other comprehensive income	**72.4**	**15.2**
Total comprehensive income	**127.0**	**83.0**
of which		
Attributable to Tamedia shareholders	124.0	83.4
Attributable to non-controlling interests	3.0	(0.5)

Consolidated balance sheet

in CHF mill.	30.06.2013	31.12.2012 [1]
Current assets of continuing operations	**284.8**	**303.4**
Assets held for sale	8.6	8.9
Current assets	**293.4**	**312.3**
Non-current assets	**1 819.2**	**1 751.0**
Total assets	**2 112.6**	**2 063.4**
Current liabilities of continuing operations	**477.1**	**445.3**
Liabilities associated with assets held for sale	0.2	0.2
Current liabilities	**477.2**	**445.6**
Non-current liabilities	**361.8**	**419.4**
Liabilities	**839.1**	**864.9**
Equity, attributable to Tamedia shareholders	**1 094.4**	**1 014.5**
Non-controlling interests	179.1	183.9
Equity	**1 273.6**	**1 198.4**
Total liabilities and shareholders′ equity	**2 112.6**	**2 063.4**

1 The figures for the prior period have been adjusted due to restatement.
Further information can be found in the section on restatement.

Consolidated cash flow statement

in CHF mill.	30.06.2013	30.06.2012 [1]
Direct method		
Cash flow from (used in) trading activities	**90.9**	**99.6**
Cash flow from (used in) operating activities	**67.1**	**107.7**
Cash flow from (used in) investing activities	**(60.4)**	**(31.6)**
Cash flow after investing activities	**6.7**	**76.0**
Increase/(decrease) in shares of non-controlling interests	(4.9)	(2.2)
Cash flow from (used in) financing activities	**(37.8)**	**(176.5)**
Cash flow of discontinued operations	**0.2**	**30.7**
Impact of currency translation	**0.1**	**0.0**
Change in cash and cash equivalents	**(30.8)**	**(69.8)**
Cash and cash equivalents as of 01.01.	104.5	105.0
Cash and cash equivalents of discontinued operations as of 01.01.	–	13.2
Cash and cash equivalents as of 30.06.	73.7	42.4
Cash and cash equivalents of discontinued operations as of 30.06.	–	6.0
Change in cash and cash equivalents	**(30.8)**	**(69.8)**

1 The figures for the prior period have been adjusted due to restatement.
Further information can be found in the section on restatement.

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 31.12.2011 prior to restatement	**106.0**	**(18.6)**	**0.8**	**851.7**	**939.9**	**15.9**	**955.8**
IAS 19	–	–	–	10.4	**10.4**	–	**10.4**
IFRS 11	–	–	(0.8)	1.0	**0.2**	(0.3)	**(0.0)**
As of 31.12.2011 after restatement	**106.0**	**(18.6)**	–	**863.2**	**950.6**	**15.6**	**966.2**
Net income (loss)	–	–	–	68.3	**68.3**	(0.5)	**67.8**
Value fluctuation financial assets	–	–	–	(0.3)	**(0.3)**	–	**(0.3)**
Actuarial gains/(losses) IAS 19	–	–	–	19.7	**19.7**	–	**19.7**
Taxes on other comprehensive income	–	–	–	(4.3)	**(4.3)**	–	**(4.3)**
Total comprehensive income	–	–	–	**83.4**	**83.4**	**(0.5)**	**83.0**
Dividends paid	–	–	–	(59.5)	**(59.5)**	(2.0)	**(61.5)**
Change in the group of consolidated companies	–	–	–	–	–	(0.2)	**(0.2)**
Share-based payments	–	–	–	0.4	**0.4**	–	**0.4**
(Purchase)/sale of treasury shares	–	0.4	–	–	**0.4**	–	**0.4**
As of 30.06.2012	**106.0**	**(18.3)**	–	**887.5**	**975.3**	**12.9**	**988.2**
As of 31.12.2012	**106.0**	**(18.3)**	–	**926.8**	**1 014.5**	**183.9**	**1 198.4**
Net income (loss)	–	–	–	51.7	**51.7**	3.0	**54.7**
Value fluctuation financial assets	–	–	–	0.4	**0.4**	–	**0.4**
Actuarial gains/(losses) IAS 19	–	–	–	92.2	**92.2**	–	**92.2**
Currency translation differences	–	–	(0.0)	–	**(0.0)**	–	**(0.0)**
Taxes on other comprehensive income	–	–	–	(20.3)	**(20.3)**	–	**(20.3)**
Total comprehensive income	–	–	**(0.0)**	**124.0**	**124.0**	**3.0**	**127.0**
Dividends paid	–	–	–	(47.7)	**(47.7)**	(2.3)	**(49.9)**
Change in the group of consolidated companies	–	–	–	–	–	7.3	**7.3**
Purchase/sale of non-controlling interests	–	–	–	10.2	**10.2**	(12.8)	**(2.6)**
Shares to be delivered [1]	–	18.0	–	(20.0)	**(2.0)**	–	**(2.0)**
Contractual obligations to purchase own equity instruments/ non-controlling interests	–	–	–	(3.4)	**(3.4)**	–	**(3.4)**
Share-based payments	–	–	–	–	–	–	–
(Purchase)/sale of treasury shares	–	(0.1)	–	(1.2)	**(1.2)**	–	**(1.2)**
As of 30.06.2013	**106.0**	**(0.3)**	**(0.0)**	**988.8**	**1 094.4**	**179.1**	**1 273.6**

1 The use of 250,000 treasury shares to pay the third instalment towards the purchase price for Edipresse Suisse in the first quarter of 2013 has been recorded inclusive of the related taxes.

General comments

The unaudited consolidated interim financial statements as of 30 June 2013 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 2012, and the new standards and interpretations effective from 1 January 2013 have also been taken into account. The consolidated interim financial statements were approved by the Board of Directors of Tamedia AG on 16 August 2013.

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 new and revised standards (IFRS) were applied for the first time during the reporting period. The significant impacts are explained below:

— IAS 19 "Employee Benefits" (amended) — 2013
  As a result of the amendment to IAS 19 "Employee Benefits", the expected return on plan assets is no longer calculated on the basis of an estimated rate of return on assets. Instead, the discount rate is now used to calculate the net present value of obligations under defined benefit plans. This means that net plan liabilities/net plan assets are now only subject to interest at the discount rate. The retrospective application of this method with effect from 1 January 2012 results in employee benefit expenses pursuant to IAS 19 that are CHF 0.4 million higher and a net financial return that is CHF 7.0 million lower than the figure disclosed as of 30 June 2012. Additionally, equity as of 31 December 2012 (taking taxes into account) is increased by CHF 12.6 million (before deferred taxes) due to past service cost not yet recognised.

— IFRS 11 "Joint Arrangements" — 2013
  Under the new standard, proportionate consolidation, as previously applied, is no longer permitted. Companies previously subject to proportionate consolidation will now be included at their pro rata equity values as "Investments in associated companies / joint ventures", and the share of net income will be reported net as "Share of net income of associated companies / joint ventures". As a result, revenues for the first half of 2012 are CHF 17.8 million lower, EBITDA CHF 1.3 million lower and EBIT CHF 0.9 million lower. Net income declined by CHF 0.1 million due to tax effects relating to the subsequent measurement under the equity method. Total assets are thus down CHF 15.5 million compared with those published as of 31 December 2012.

Tamedia has also implemented the following new and revised standards and interpretations. Their first-time application did not lead to any significant changes in the consolidation and valuation principles, in the assets or income situation or in the disclosures in the half-year report.

— IAS 1 "Presentation of Financial Statements" (amended) — 2013
— IAS 27 "Separate Financial Statements" (amended) — 2013
— IAS 28 "Investments in Associates and Joint Ventures" (amended) — 2013
— IFRS 1 "Presentation of Financial Statements" (amended) — 2013
— IFRS 7 "Disclosures — Offsetting Financial Assets and Financial Liabilities" — 2013
— IFRS 10 "Consolidated Financial Statements" — 2013
— IFRS 12 "Disclosure of Interests in Other Entities" — 2013
— IFRS 13 "Fair Value Measurement" — 2013
— IFRS (2012) "Improvements to International Financial Reporting Standards" — 2013

Restatement

In addition to the explanations provided in the section dealing with accounting standards, the impact on the income statement, balance sheet and cash flow statement is also shown in the form of a table.

Consolidated income statement

in CHF mill.	30.06.2012 published	Joint ventures (IFRS 11)	Employee benefits (IAS 19)	30.06.2012 restated
Operating revenues	**524.0**	**(17.8)**	–	**506.2**
Operating expenses	**(434.8)**	**16.5**	**(0.4)**	**(418.6)**
Operating income before depreciation and amortisation (EBITDA)	**89.3**	**(1.3)**	**(0.4)**	**87.6**
Depreciation and amortisation	(29.0)	0.4	–	(28.6)
Operating income (EBIT)	**60.3**	**(0.9)**	**(0.4)**	**59.0**
Share of net income (loss) of associated companies	4.7	0.6	–	5.2
Other financial income	10.0	(0.1)	(7.0)	2.9
Income before taxes	**74.9**	**(0.4)**	**(7.4)**	**67.2**
Income taxes	(15.7)	0.3	1.6	(13.8)
Net income (loss) of continuing operations	**59.3**	**(0.1)**	**(5.8)**	**53.4**
Discontinued operations	14.4	–	–	14.4
Net income (loss)	**73.7**	**(0.1)**	**(5.8)**	**67.8**
of which				
Attributable to Tamedia shareholders	74.1	(0.1)	(5.8)	68.3
Attributable to non-controlling interests	(0.4)	(0.0)	–	(0.5)

Net income per share

in CHF				
Net income (loss) per share (undiluted)	7.00	(0.01)	(0.54)	6.45
Net income (loss) per share (diluted)	7.00	(0.01)	(0.54)	6.44

Consolidated statement of comprehensive income

in CHF mill.	30.06.2012 published	Joint ventures (IFRS 11)	Employee benefits (IAS 19)	30.06.2012 restated
Net income (loss)	**73.7**	**(0.1)**	**(5.8)**	**67.8**
Share of assets recognised directly in the equity of associated companies	–	–	–	–
Value fluctuation financial assets	(0.3)	–	–	(0.3)
Actuarial gains/(losses) IAS 19	12.8	7.0	–	19.7
Currency translation differences	0.0	(0.0)	–	–
Taxes on other comprehensive income	(2.9)	(1.4)	–	(4.3)
Other comprehensive income	**9.6**	**5.5**	–	**15.2**
Total comprehensive income	**83.3**	**5.4**	**(5.8)**	**83.0**
of which				
Attributable to Tamedia shareholders	83.8	5.4	(5.8)	83.4
Attributable to non-controlling interests	(0.4)	(0.0)	–	(0.5)

Consolidated balance sheet

in CHF mill.	31.12.2012 published	Joint ventures (IFRS 11)	Employee benefits (IAS 19)	31.12.2012 restated
Current assets of continuing operations	**316.0**	**(12.6)**	–	**303.4**
Assets held for sale	8.9	–	–	8.9
Current assets	**324.9**	**(12.6)**	–	**312.3**
Non-current assets	**1 756.0**	**(2.4)**	**(2.6)**	**1 751.0**
Assets	**2 080.9**	**(15.0)**	**(2.6)**	**2 063.4**
		–		
Current liabilities of continuing operations	**457.7**	**(12.4)**	–	**445.3**
Liabilities associated with assets held for sale	0.4	(0.2)	–	0.2
Current liabilities	**458.2**	**(12.6)**	–	**445.6**
Non-current liabilities	**434.4**	**(2.8)**	**(12.3)**	**419.4**
Liabilities	**892.6**	**(15.4)**	**(12.3)**	**864.9**
Equity, attributable to Tamedia shareholders	**1 004.1**	**0.7**	**9.7**	**1 014.5**
Non-controlling interests	**184.3**	**(0.3)**	**(0.0)**	**183.9**
Equity	**1 188.3**	**0.4**	**9.7**	**1 198.4**
Total liabilities and shareholders' equity	**2 080.9**	**(15.0)**	**(2.6)**	**2 063.4**

Consolidated cash flow statement

in CHF mill.	30.06.2012 published	Joint ventures (IFRS 11)	Employee benefits (IAS 19)	30.06.2012 restated
Cash flow from (used in) trading activities	**104.5**	**(4.9)**	–	**99.6**
Cash flow from (used in) operating activities	**106.4**	**1.2**	–	**107.7**
Cash flow from (used in) investing activities	**(31.3)**	**(0.3)**	–	**(31.6)**
Cash flow after investing activities	**75.1**	**1.0**	–	**76.0**
Increase/(decrease) in shares of non-controlling interests	(2.5)	0.3	–	(2.2)
Cash flow from (used in) financing activities	**(176.5)**	**0.0**	–	**(176.5)**
Cash flow of discontinued operations	**30.7**	**(0.0)**	–	**30.7**
Impact of currency translation	**0.0**	**0.0**	–	**0.0**
Change in cash and cash equivalents	**(70.7)**	**1.0**	–	**(69.8)**
Cash and cash equivalents as of 01.01.	114.6	(9.6)	–	105.0
Cash and cash equivalents of discontinued operations as of 01.01.	13.2	–	–	13.2
Cash and cash equivalents as of 30.06.	51.1	(8.6)	–	42.4
Cash and cash equivalents of discontinued operations as of 30.06.	6.0	(0.0)	–	6.0
Change in cash and cash equivalents	**(70.7)**	**1.0**	–	**(69.8)**

Reclassification of discontinued operations

Subject to certain conditions, various activities are reported in the financial statements 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 where necessary. There were no significant discontinued operations during the first half of 2013.

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 2013, the following changes were made to the group of consolidated companies.

Metroxpress and Soundvenue

As of the beginning of 2013, 20 Minuten AG acquired from media houses Metro International S.A. (formerly 51 per cent), A-Pressen and JP/Politikens Hus (formerly 24.5 per cent each), a 100 per cent interest in Metroxpress A/S, which operates the free commuter newspaper *Metroxpress* and the associated news portal. It also acquired their 60 per cent interest in the subsidiary Soundvenue A/S. The cost of the transaction amounted to CHF 20.3 million in cash, of which CHF 6.1 million related to the purchase of shares and CHF 14.2 million to the acquisition of loans. The costs of CHF 0.1 million that arose in connection with the transaction were recognised in the income statement.

Assets of CHF 23.9 million and liabilities of CHF 3.4 million were recognised during the first-time consolidation with effect from 1 January 2013. In addition to cash and cash equivalents of CHF 1.5 million, the assets also comprise goodwill of CHF 5.0 million. Goodwill and non-amortisable intangible assets amount to 45 per cent of total assets or CHF 10.8 million. The goodwill stems from the strong market position held by *Metroxpress* in Denmark. The goodwill is assumed not to be deductible for tax purposes. Revenues taken into account since 1 January 2013 total CHF 11.8 million, with net income for the same period of CHF — 2.9 million. Details of the first-time consolidation are based on provisional values and estimates.

Olmero AG and Jobsuchmaschine

On 27 March 2013 Tamedia AG acquired a further 64.12 per cent interest in Olmero AG, thereby increasing its interest from 24.4 to 88.51 per cent. This increase in its holding gives Tamedia overall control of Olmero AG, which it has included in the group of consolidated companies since 1 April 2013. Because the acquisition took place in several steps, the previously held interests are taken into account with a fair value of CHF 11.9 million at the time of the transfer of control. The difference compared with the previous value of these interests is CHF 5.6 million and is reported as profit under other operating revenues. The transaction incurred no costs.

In December 2010, the former Jobup AG (which now forms part of Jobcloud AG) acquired a 20 per cent interest in the operator of the online job platform jobsuchmaschine AG, subsequently increasing its interest by 29 per cent to 49 per cent in April 2011. As of the closing date of 24 January 2013, Tamedia had also acquired the remaining 51 per cent interest.

The cost of the transactions amounted to CHF 46.4 million in cash, and the fair value of the previously acquired interests was CHF 3.3 million. Assets of CHF 81.1 million and liabilities of CHF 12.2 million were included in the first-time consolidation. In addition to cash and cash equivalents of CHF 13.5 million, the assets also comprise goodwill of CHF 37.8 million. Goodwill and non-amortisable intangible assets amount to 55 per cent of the acquired assets or CHF 44.6 million. Deferred revenues and accrued liabilities for future revenues that have already been paid totalling a gross amount of CHF 2.8 million decreased by CHF 0.7 million to CHF 2.1 million. This reduction corresponds to the estimate of gains already realised upon first-time consolidation. The 2013 and 2014 revenues and net income of Olmero AG are thus CHF 0.5 million and CHF 0.2 million lower respectively than they would have been had no takeover taken place. The goodwill stems from the strong market position enjoyed by the Olmero platforms in Switzerland. The goodwill is assumed not to be deductible for tax purposes.

Revenues taken into account since the first-time consolidation total CHF 4.1 million, with net income for the same period of CHF 0.2 million. Excluding the effects of first-time consolidation, the net income figure would have been CHF 0.8 million. Had the acquisition taken place with effect from 1 January 2013, the reported revenues for the first half of 2013 would have been approximately CHF 3.7 million higher, and reported net income CHF 0.1 million higher. Details of the first-time consolidation are based on provisional values and estimates.

On 21 June 2013, Tamedia AG acquired an additional 4.3 per cent interest in Olmero AG, based on the same conditions as applied in March, thereby increasing its total stake to 92.8 per cent.

Non-controlling interests in Olmero AG as of 30 June 2013 were calculated on the basis of the purchase price effectively paid, with some of them subject to agreements to buy and sell in the form of call and put options. Tamedia's contractual obligation as of the reporting date to purchase the non-controlling interests is reported pursuant to IAS 32.23 under financial liabilities in the consolidated financial statements.

Further changes to the group of consolidated companies

The following changes were made in order to simplify the structure of the Tamedia Group: The companies Jobs.ch AG, Jobup AG and Stellen.com AG were merged into Jobcloud AG (formerly Jobs.ch Holding AG) with retrospective effect from 1 January 2013. Neue Bülacher Tagblatt AG was merged into Zürcher Regionalzeitungen AG with retrospective effect from 1 January 2013. The companies Presse Publications SR S.A. and SA de la Tribune de Genève were merged into Tamedia Publications romandes SA with retrospective effect from 1 January 2013. The companies Scoup AG and Winner AG were merged into Tamedia AG with retrospective effect from 1 January 2013.

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 rose by CHF 4.3 million to CHF 32.9 million. No impairments were required.

The share of net income of associated companies decreased to CHF 4.5 million in the first half of 2013, compared with CHF 5.2 million in the previous year. Other financial income fell by CHF 4.3 million to CHF −1.4 million, a decrease that can mainly be explained by the gains made from the sale of investments in 2012 and the lower level of other financial income. The previous year's figures also included non-recurring financial income of CHF 5.3 million from the adjustment in the expected amount of the final instalment towards the purchase price for Edipresse Suisse. Gains from the disposal of investments totalled CHF 1.7 million in 2012; no such disposals took place during the current financial year. 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 fell markedly from 20.5 to 18.1 per cent, mainly due to reimbursements for earlier tax periods.

Discontinued operations

As of 30 June 2013, there were no significant discontinued operations. Radio and TV activities, which have been sold, and Tamedia's specialist agricultural publications were included in discontinued operations in 2012. The gains generated by the sale of these activities are also reported under discontinued operations.

Net assets held for sale

Net assets held for sale fell by CHF 0.3 million from CHF 8.7 million to CHF 8.4 million due to the sale of a property. No new net assets held for sale were added during the first half of 2013.

Key figures of discontinued operations

in CHF mill.		30.06.2013	30.06.2012
Operating revenues		0.0	27.6
Operating expenses		(0.1)	(8.6)
Depreciation and amortisation		(0.0)	(0.2)
Operating income (EBIT)		**(0.1)**	**18.8**
Net financial income (loss)		(0.0)	(0.0)
Income before taxes		**(0.1)**	**18.7**
Income taxes		0.0	(4.3)
Net income (loss) from the valuation of assets		–	–
Net income (loss)		**(0.1)**	**14.4**
Net income (loss) of discontinued operations per share [1]	in CHF	(0.01)	1.36

in CHF mill.	30.06.2013	31.12.2012
Current assets	–	0.0
Non-current assets	8.6	8.9
Assets	**8.6**	**8.9**
Current liabilities	–	0.0
Non-current liabilities	0.2	0.2
Liabilities	**0.2**	**0.2**
Net assets	**8.4**	**8.7**

in CHF mill.	30.06.2013	30.06.2012
Cash flow from (used in) operating activities	(0.1)	0.2
Cash flow from (used in) investing activities	0.2	31.1
Cash flow from (used in) financing activities	–	(0.6)
Change in cash and cash equivalents	**0.2**	**30.7**

1 Both diluted and undiluted

Balance sheet

Total assets grew by CHF 49.3 million from CHF 2,063.4 million to CHF 2,112.6 million during the first half of 2013. Shareholders' equity rose by CHF 75.1 million to CHF 1,273.6 million. The equity ratio is now a solid 60.3 per cent. Due to actuarial changes resulting from the application of IAS 19, a positive amount of CHF 92.2 million (before deferred taxes) was reported directly in equity in the statement of comprehensive income, after an addition of CHF 19.7 million had been taken into account in the previous year. CHF 47.7 million (CHF 4.50 per share) was distributed to the shareholders of Tamedia AG in the form of a dividend. Additionally, during the first six months of 2013, treasury shares with a value of CHF 1.3 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 appropriation of the treasury shares in the amount of CHF 1.2 million was recorded directly in equity. Also during the period under review, 250,000 treasury shares were used to pay the third instalment towards the purchase price for Edipresse Suisse.

The current assets of continuing operations fell by CHF 18.6 million to CHF 284.8 million. The biggest changes in current assets resulted from the decrease of CHF 30.8 million in cash and cash equivalents, and the increase of CHF 12.2 million in trade accounts receivable. Assets held for sale, which are reported separately, fell slightly by CHF 0.3 million to CHF 8.7 million (see also the section on net assets held for sale). Non-current assets grew by CHF 68.2 million to CHF 1,819.2 million. Changes in the group of consolidated companies resulted in an increase of CHF 83.3 million. Investments of CHF 13.4 million in property, plant and equipment were offset by net disposals of CHF 0.5 million and amortisation and depreciation of CHF 32.9 million.

With regard to financial assets, there was a net fall of CHF 15.1 million in investments in associated companies to CHF 105.8 million. Loans decreased by CHF 3.8 million to CHF 2.4 million as a result of repayments.

The review of the carrying amounts of the individual items of goodwill for possible impairment resulted in no writedowns.

The current liabilities of continued operations were up by CHF 31.8 million to CHF 477.1 million. This increase can mainly be attributed to the clear rise in current financial liabilities and in deferred revenues and accrued liabilities. Other current items, in contrast, increased, with current financial liabilities up by CHF 37.0 million as a result of the rise in liabilities to financial institutions. Current provisions for social plan benefits and litigation risks, however, were down by CHF 0.7 million in the first half of the year.

Non-current liabilities fell by CHF 57.5 million to CHF 361.8 million. Alongside the fall of CHF 15.5 million in non-current financial liabilities, this decline was mainly attributable to the drop of CHF 60.2 million in employee benefit obligations pursuant to IAS 19, while deferred tax liabilities rose by CHF 18.0 million. Non-current provisions fell slightly by CHF 0.4 million to CHF 8.6 million.

Events after the balance sheet date

Starticket

Tamedia is acquiring a 75 per cent interest in the Swiss ticket marketer Starticket. Tamedia is purchasing the shares in Starticket AG from its founder Peter Hürlimann and Starticket's co-owners Urs Brunner, Hans Syz as well as the company Brino Holding AG, owned by Bruno Widmer. Peter Hürlimann will remain in place as CEO and, together with the management team, will hold 25 per cent of the company's shares. The transactions are subject to approval by the Swiss Federal Competition Commission. There is also an option for Tamedia to acquire further shares by 2018.

car4you.ch, piazza.ch and tutti.ch

The Norwegian Schibsted Media Group and Tamedia are joining forces on the Swiss classified ads and car classifieds market. This involves merging Tamedia's classifieds platform *piazza.ch* with *tutti.ch*, the portal launched by Schibsted in 2010. The new platform will operate under the name of *tutti.ch*. Tamedia is also incorporating its *car4you.ch* portal into the tie-up, which will continue to operate under the same name.

The plan is for Schibsted and Tamedia each to hold a 50 per cent interest in Car4you Schweiz AG and Schibsted Classified Media Switzerland AG in future, subject to the transactions being approved by the Federal Competition Commission.

Financial calendar

The results for 2013 will be published on Thursday,13 March 2014.

Investor Relations

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