

Media release

Revenue growth to CHF 1.114 billion thanks to increasing digital revenue – net income of CHF 159.7 million

Swiss media group Tamedia closed the 2014 financial year with revenues of CHF 1.114 billion (+ 4.2 per cent). Growing digital revenue offset the continued decline in print advertising revenue. Operating income before depreciation and amortisation (EBITDA) totalled CHF 230.9 million (+ 17.2 per cent, EBITDA margin of 20.7 per cent) and operating income (EBIT) totalled CHF 160.6 million (+ 25.8 per cent), which corresponds to an EBIT margin of 14.4 per cent. Net income increased by 34.1 per cent to CHF 159.7 million (previous year: CHF 119.1 million). Under the profit participation programme, Tamedia employees were entitled to CHF 6.6 million of net income.

Zurich, 12 March 2015 – Swiss media group Tamedia continued to expand its digital business in the past year. In addition to the online platforms JobCloud and *homegate.ch*, as well as the *20 Minuten* news platforms, the newly launched payment models at *Tages-Anzeiger* and *Der Bund* contributed to the 11.2 per cent organic growth of the digital business. In total, digital revenue jumped 16.4 per cent to CHF 271.1 million (previous year: CHF 232.9 million) thanks to the first-time inclusion of *Doodle*, *home.ch* and *trendsales.dk*. With operating income before depreciation and amortisation (EBITDA) of CHF 75.3 million (previous year: CHF 56.7 million), the Digital business division already accounted for one third of operating income. The Print Regional (-8.1 per cent) and Print National business divisions reported negative organic growth (-5.2 per cent). During the course of the current year Tamedia is planning the acquisition of the Ricardo Group, the complete takeover of the classified ad platform *tutti.ch* and of the vehicle portal *car4you.ch* as well as the merger of the directories portals *search.ch* and *local.ch* in a joint venture with Swisscom.

Pietro Supino, publisher and Chairman of the Board of Tamedia: “2014 was one of the best years ever in Tamedia's 120-year history. A steady positive performance in challenging times is more important than the excellent figures that have been reached. Although much is changing, the core of our business remains the same: The value proposition of the activities bundled under the umbrella of Tamedia Group continues to be the provision of information, oversight and guidance via journalistic offerings, services and platforms for commercial advertisements.”

Christoph Tonini, Chief Executive Officer: “We see digitalisation as an opportunity and are duly making our online offerings the focus of our investments. Thanks to strong organic growth and investment, we now generate one in three francs of our operating income with digital offerings. The planned acquisition of the Ricardo Group will bring us one step closer to our goal of increasing to 50 per cent in the next two to three years the amount contributed by our digital business to operating income. With the real

estate platform *homegate.ch*, job advertisement platform *JobCloud*, online marketplaces *ricardo.ch* and *ricardoshops.ch* and general classified platforms *OLX* and *tutti.ch*, we will be the undisputed number 1 in the key classified advertising markets with major growth potential.”

Key figures	2013 in CHF mill.	2013 in CHF mill.	Change in %
Tamedia Group			
Revenues	1 114.5	1 069.1	4.2
Operating income			
Operating income before depreciation and amortisation (EBITDA)	230.9	197.1	17.2
Margin (in %)	20.7	18.4	
Operating income (EBIT)	160.6	127.7	25.8
Margin (in %)	14.4	11.9	
Net income	159.7	119.1	34.1
Net income per share in CHF	13.81	10.68	29.2
Dividend per share (in CHF)	4.50 ¹	4.00	12.5
Cash flow from (used in) operating activities	201.7	185.1	9.0
Total assets	2 156.2	2 176.6	-0.9
Equity ratio (in %) ²	67.6	64.5	
Print Regional			
Revenues	540.9	521.2	3.8
of which intersegment	51.8	59.1	-12.3
EBITDA	89.7	80.9	10.9
EBITDA margin (in %) ³	16.6	15.5	
Print National			
Revenues	357.2	376.7	-5.2
of which intersegment	2.9	2.6	14.4
EBITDA	66.0	59.5	10.8
EBITDA margin (in %) ³	18.5	15.8	
Digital			
Revenues	272.9	233.3	17.0
of which intersegment	1.7	0.4	319.1
EBITDA	75.3	56.7	32.9
EBITDA margin (in %) ³	27.6	24.3	
Average number of employees	3 471	3 394	

¹ Proposed appropriation of profit by the Board of Directors

² Equity to total assets

³ The margin relates to revenues

Print Regional

Revenues recorded by the Print Regional business division in 2014 rose 5.8 per cent to CHF 489.1 million (previous year: CHF 462.1 million). The revenue contribution of CHF 62.1 million by Ziegler Druck- und Verlags-AG, taken into account for the first time, offset the decline in organic growth of 8 per cent. Thanks to new cooperation models and supplements, as well as new third-party customer orders and efficiency-enhancing measures, operating income before depreciation and amortisation (EBITDA) rose 10.9 per cent to CHF 89.7 million (previous year: CHF 80.9 million). The EBITDA margin is now 16.6 per cent (previous year: 15.5 per cent). The Zurich regional newspapers *Der Landbote*, *Zürcher Unterländer* and *Zürichsee-Zeitung* put in particularly pleasing performances.

Print National

The Print National and Print Regional business divisions were challenged by the state of the print advertising market, which was down overall. Revenues recorded by Print National in 2014 declined 5.3 per cent to CHF 354.3 million (previous year: CHF 374.1 million). *SonntagsZeitung* and *20 Minuten* in particular performed well, while *Le Matin* succeeded in virtually completely eliminating its previously high losses. High levels of investments in the expansion of the commuter newspaper *Metroxpress* had a negative impact on net income. The Danish equivalent of *20 Minuten*, however, now already has more than twice as many readers as the second largest daily newspaper in Denmark and a revenue growth that is contrary to the market trend. Operating income before depreciation and amortisation (EBITDA) increased 10.8 per cent to CHF 66.0 million (previous year CHF 59.5 million) due to the measures initiated to improve efficiency. The EBITDA margin consequently rose to 18.5 per cent (previous year: 15.8 per cent).

Digital

The performance of the Digital business division was largely dominated by the first-time consolidation of *Doodle*, *home.ch* and *trendsales.dk*, as well as the first-time inclusion of *Olmero*, *Renovero* and *Starticket* over the entire reporting period. In the growth market for digital advertising, both the journalistic and commercial platforms posted solid organic growth of 11 per cent. Revenues from third parties recorded by the Digital business division increased 16.4 per cent in 2014 to CHF 271.1 million (previous year: CHF 232.9 million). Operating income before depreciation and amortisation (EBITDA) was up 32.9 per cent to CHF 75.3 million (previous year: CHF 56.7 million). The EBITDA margin, at 27.6 per cent, was likewise significantly higher than in the previous year (24.3 per cent).

Segmentation: new business divisions from the 2015 reporting year

Tamedia will adjust segment reporting simultaneously with the publication of its half-year results on 20 August 2015. The journalistic digital offerings will be disclosed together with the respective printed offerings in the two business divisions Publishing Regional (previously Print Regional) and Publishing National (formerly Print National). From then on, the Digital business division comprises exclusively commercial digital offerings. In this way, Tamedia is taking into account the ever closer link between

digital and printed media via the introduction of digital payment models and converging editorial teams.

Media briefing and analyst information

The media briefing will be held today, Thursday, 12 March 2015, at 10.00 a.m. at the Tamedia headquarters located at Werdstrasse 21 in Zurich. A conference call will be held for analysts and investors at 12.00 noon. An English conference call will be provided on the following day where necessary for investors and analysts from overseas.

Note on the 2015 Annual General Meeting

Tamedia AG's annual general meeting will take place at 3.00 p.m. on 17 April 2015 at Kongresshaus Zurich located at Claridenstrasse 5, 8002 Zurich.

Additional information

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Additional information on Tamedia

Tamedia is a Swiss media group with its registered office in Zurich. With its daily and weekly newspapers, magazines, online platforms and printing facilities, Tamedia is one of the leading media companies in Switzerland. Thanks to their independent reporting and critical research, the media of Tamedia AG and its subsidiaries Tamedia Publications romandes and Espace Media make an important contribution to shaping public opinion and provide discussion topics with entertaining stories from all areas of life. Tamedia's digital offerings are brought together under the umbrella of Tamedia Digital. Founded in 1893, the company has approximately 3,400 employees in Switzerland, Denmark, Luxembourg, and Germany and has been listed on the Swiss Stock Exchange since 2000.

Additional information: www.tamedia.ch