



Tamedia AG
Corporate communication

+41 44 248 41 90 D
communication@tamedia.ch
www.tamedia.ch

Press release

Tamedia: more than half of EBITDA from digital offerings

The Swiss media group Tamedia achieved revenues of CHF 1,004.8 million (-5.5 per cent) in 2016. Operating income before interest, taxes and depreciation and amortisation (EBITDA) fell to CHF 201.0 million (-17.5 per cent, EBITDA margin 20.0 per cent) due to the market downturn. Operating income before interest and taxes (EBIT) dropped to CHF 113.5 million (-13.1 per cent, EBIT margin 11.3 per cent). Net income amounts to CHF 122.3 million. For the first time, more than half of EBITDA was generated by publishing and commercial digital products.

Zurich, 2 March 2017 – Tamedia’s revenues fell by 5.5 per cent or CHF 59.0 million to CHF 1,004.8 million. The decline is due to the structural shift in the print advertising market, the closure of the Ziegler Druck printing press in late 2015 and the sale of Swiss Online Shopping AG (FashionFriends). Operating income before depreciation and amortisation (EBITDA) fell by CHF 42.5 million, or 17.5 per cent, to CHF 201.0 million. The EBITDA margin decreased from 22.9 per cent in the previous year to 20.0 per cent in 2016. Operating income (EBIT) fell by 13.1 per cent or CHF 17.2 million to CHF 113.5 million. The EBIT margin fell from 12.3 per cent to 11.3 per cent in 2016. At CHF 122.3 million, net income in 2016 was 63.4 per cent or CHF 211.7 million lower than that of the previous year (CHF 334.0 million), which was affected by the revaluation gain following the merger of search.ch and local.ch. Employees entitled have a profit participation of CHF 5.8 million in net income.

Pietro Supino, publisher and Chairman of the Board of Directors at Tamedia: “Despite some outstanding innovations, advertising revenues last year declined sharply. It is reassuring to see that revenues from the user market are stable and that losses in print revenues affecting commuter media are largely being offset by growing digital revenues. Thanks to our strategy of digital transformation and diversification, Tamedia is in a good position despite the unwelcome advertising market trend.”

The transformation of Tamedia into a digital media group accelerated further in what is a difficult market environment for print advertising. Last year, for the first

time more than half of Tamedia's operating income was generated by publishing and commercial digital products. "As we worked hard to achieve this objective in the past few years, we are proud of having reached this important interim goal. This development is even more impressive considering the fact that in 2012, we were still recording a loss in our consolidated digital products," explains Tamedia CEO Christoph Tonini.

Key figures	2016 in CHF mn	2015 in CHF mn	Change in per cent
Tamedia Group			
Revenues	1 004.8	1 063.8	-5.5
Operating income before depreciation and amortisation (EBITDA)	201.0	243.4	-17.5
Margin (in per cent)	20.0	22.9	-12.6
Operating income (EBIT)	113.5	130.6	-13.1
Margin (in per cent)	11.3	12.3	-8.0
Net income (loss)	122.3	334.0	-63.4
of which attributable to Tamedia shareholders	104.7	321.4	-67.4
Dividend per share (in CHF)	4.50 ¹	4.50	0.0
Cash flow from (used in) operating activities	178.6	195.3	-8.5
Total assets	2 421.1	2 508.9	-3.4
Equity ratio (in per cent) ²	72.5	66.2	9.5
Publishing Regional			
Revenues	470.7	519.8	-9.4
of which intersegment	45.6	51.1	-10.8
EBITDA	67.9	81.8	-16.9
EBITDA margin (in per cent) ³	14.4	15.7	-8.3
Publishing National			
Revenues	354.4	376.1	-5.8
of which intersegment	0.4	2.0	-82.4
EBITDA	65.1	72.5	-10.2
EBITDA margin (in per cent) ³	18.4	19.3	-4.7

Digital			
Revenues	228.3	221.0	3.3
of which intersegment	2.7	0.03	n.a.
EBITDA	85.3	70.4	21.2
EBITDA margin (in per cent) ³	37.4	31.9	17.3
Headcount as of balance sheet date ⁴	3 296	3 366	-2.1

¹ Proposal of the Board of Directors

² Equity to total assets

³ The margin relates to revenues

⁴ Number of full-time equivalents

Publishing Regional challenged by the sharp decline in the advertising market

The advertising market for regional daily newspapers saw a sharp and stronger than average decline in the reporting year that posed a challenge for the Publishing Regional segment. In particular, advertising in the daily and regional weekly press, which is crucial for Tamedia, fell considerably. Revenues from third parties generated by the Publishing Regional business division fell by 9.3 per cent in 2016 to CHF 425.2 million (previous year: CHF 468.8 million). The decline in revenues was partially due to the closure of the printing facility in Winterthur, but was mainly caused by the major slowdown in the advertising market. Consequently, operating income before depreciation and amortisation (EBITDA) fell by 16.9 per cent to CHF 67.9 million (previous year: CHF 81.8 million), which also affected the EBITDA margin, which is now at 14.4 per cent (previous year: 15.7 per cent).

Media within Publishing National with heterogeneous results

The advertising market in the past year declined sharply, including for the Sunday and public press, which had a particularly negative effect on the revenues and results of the media in the Publishing National business division. However, the media in the 20 Minuten group, the magazine Schweizer Familie and the SonntagsZeitung bucked this trend and closed the reporting year with better earnings year-on-year. Revenues from third parties generated by the Publishing National business division fell by 5.4 per cent in 2016 to CHF 354.0 million (previous year: CHF 374.0 million). As a result, operating income before depreciation and amortisation (EBITDA) fell by 10.2 per cent to CHF 65.1 million (previous year: CHF 72.5 million). The EBITDA margin dropped to 18.4 per cent (previous year: 19.3 per cent).

Digital becomes best performing business division

In 2016, the Digital business division became the best performing business division in Tamedia. Following the strong growth in the preceding years, in the reporting year Tamedia concentrated on the further development of its classifieds, marketplaces, services and ventures, which are bundled together in the Digital business division. The platforms developed positively and were able to increase their revenues organically by 4.4 per cent and their EBITDA organically by 13.2 per cent. The revenues from third parties generated by the Digital business division rose

in 2016 by 2.1 per cent to CHF 225.6 million (previous year CHF 221.0 million), due in part to revenue corrections for Trendsales and the sale of Swiss Online Shopping AG. The growth of the platforms JobCloud AG and homegate.ch made a particular contribution to revenue growth. Operating income before depreciation and amortisation (EBITDA) rose by 21.2 per cent to CHF 85.3 million (previous year: CHF 70.4 million). The EBITDA margin reached an outstanding 37.4 per cent (previous year: 31.9 per cent).

Press conference and information for financial analysts

The press conference will take place today 02 March 2017, at 10.00 a.m. at the Tamedia head office at Werdstrasse 21 in Zurich. An analysts' conference will also be held for analysts and investors at 12.00 p.m. If required, a conference call in English will be offered on the following day for investors and analysts from abroad.

Information on the Annual General Meeting 2017

The Annual General Meeting of Tamedia AG will take place on 07 April 2017 at 3.00 p.m. in the Kongresshaus Zürich at Claridenstrasse 5, 8002 Zurich.

Contact

Christoph Zimmer, Head of Communications
+41 44 248 41 35, christoph.zimmer@tamedia.ch

About Tamedia

Tamedia is the leading private Swiss media group. Tamedia's digital platforms, daily and weekly newspapers and magazines offer an overview, placement and choice. The company, which was established in 1893, employs around 3,400 employees in Switzerland, Denmark, Luxembourg, Germany and Austria and has been listed on the Swiss stock exchange since 2000.

www.tamedia.ch