



Paris, 19 March 2013

## 2012 earnings

**+4.1% revenue<sup>1</sup> growth**  
**+10.8% increase in current EBIT excluding CHÉRIE 25<sup>2</sup>**

- Strong profitability maintained on Radio
- Group's continued development on free national television
- Significant increase in International earnings
- Music label's growth and success of the musical "1789 Les Amants de la Bastille"
- Solid earnings growth for the Broadcasting business

12 months to 31 December In million euros	2012	2011	Change
<b>Revenues excluding dissimilar barterers</b>	<b>393.0</b>	<b>377.5</b>	<b>+4.1%</b>
Revenues including dissimilar barterers	397.3	382.7	+3.8%
<b>Current EBIT excluding dissimilar barterers</b>	<b>63.5</b>	<b>61.2</b>	<b>+3.8%</b>
Current EBIT	62.9	61.5	+2.3%
<b>Net income (Group share)</b>	<b>37.1</b>	<b>45.6</b>	<b>-18.6%</b>

  

In million euros	31 Dec 2012	31 Dec 2011	Change
<b>Net cash position*</b>	<b>82.9</b>	<b>94.3</b>	<b>-12.1%</b>
<b>Shareholders' equity (Group share)</b>	<b>497.2</b>	<b>482.0</b>	<b>+3.2%</b>

\* Current cash net of current and non-current financial liabilities

In 2012, although the advertising market in France contracted, NRJ GROUP achieved growth in its current EBIT. This outstanding performance, in view of the difficult economic environment, reflects the following:

- High level of profitability maintained on Radio and continued strong audience growth for NRJ's station (Médiamétrie wave published in January 2013),
- Group's continued development on free national television, with the successful launch of CHÉRIE 25, while current EBIT for the national channel division (NRJ 12 + NRJ HITS) came in slightly positive, despite a particularly difficult market environment for television,
- Strong increase in earnings on International activities, including the positive figure recorded in Germany for current EBIT following several years of losses,
- Growth of the music label NRJ MUSIC and the success of the musical "1789 Les Amants de la Bastille",
- Solid growth in current EBIT for towerCast, the Group's broadcasting subsidiary.

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In this context, current EBIT excluding dissimilar barterers totalled 63.5 million euros in 2012, compared with 61.2 million euros in 2011. **Excluding losses linked to the launch of CHÉRIE 25, current EBIT excluding dissimilar barterers is up 10.8% to 67.8 million euros.**

After factoring in income from dissimilar barterers, **current EBIT** came to 62.9 million euros in 2012, up 2.3% in relation to the 61.5 million euros recorded in 2011.

<sup>1</sup> Revenues excluding dissimilar barterers

<sup>2</sup> Current EBIT excluding dissimilar barterers and excluding CHÉRIE 25

After taking into consideration negative non-current operating income and expenses for 1.1 million euros, as well as the 1.1 million euros in financial income, the 24.7 million euro income tax charge, the share in negative income from affiliates for 0.4 million euros, and a share attributable to minority interests for 0.7 million euros, **net income Group share** came to 37.1 million euros in 2012, compared with 45.6 million euros in 2011, down 18.6%, primarily due to the higher tax charge.

The **net cash position** at 31 December 2012 came to 82.9 million euros, down 11.4 million euros compared with 31 December 2011, primarily due to the increase in working capital requirements, linked mainly to the acquisitions of TV programmes, investments focused in particular on the broadcasting business and audiovisual resources for TV, as well as NRJ GROUP dividend payments for 2011.

In view of the persistently difficult economic climate at the start of 2013, the Group considers that it needs to retain all its financial capabilities in order to secure its development on national television and broadcasting, while ensuring it is able to capitalise on any opportunities for external growth, including in its core radio business. As a result, the Board of Directors will be submitting a proposal at the general shareholders' meeting on 28 May to not pay out any dividend for 2012. The Board will besides submit at the general meeting to authorize the implementation of a new share buyback program.

### **Breakdown of revenues and current EBIT (excluding barter) for each business**

<b>12 months to 31 December - in million euros</b>	<b>2012</b>	<b>2011</b>	<b>Change</b>
Music Media and Events	202.7	214.6	-5.5%
Television	83.5	77.7	+7.5%
International Business	42.7	40.0	+6.8%
Shows and Other Productions	15.2	3.1	+390.3%
Broadcasting	48.9	42.1	+16.2%
<b>Revenues excluding dissimilar barter</b>	<b>393.0</b>	<b>377.5</b>	<b>+4.1%</b>
Dissimilar barter	4.3	5.2	-17.3%
Revenues including dissimilar barter	397.3	382.7	+3.8%
<b>12 months to 31 December - in million euros</b>	<b>2012</b>	<b>2011</b>	<b>Change</b>
Music Media and Events	48.1	53.4	-9.9%
Television	(5.3)	(1.7)	+211.8%
International Business	4.0	0.7	+471.4%
Shows and Other Productions	4.4	1.7	+158.8%
Broadcasting	12.7	8.2	+54.9%
Other Business	(0.4)	(1.1)	-63.6%
<b>Current EBIT excluding dissimilar barter</b>	<b>63.5</b>	<b>61.2</b>	<b>+3.8%</b>
Operating income from dissimilar barter	(0.6)	0.3	-300%
<b>Current EBIT</b>	<b>62.9</b>	<b>61.5</b>	<b>+2.3%</b>

In 2012, in a difficult advertising market, the **Music Media and Events** division generated 202.7 million euros in revenues, compared with 214.6 million euros in 2011, down 5.5%.

Set against a reduction in costs for the division, current EBIT excluding dissimilar barter came to 48.1 million euros at 31 December 2012 for the Music Media and Events division, while the current operating margin remained high, coming in at almost 24%.

The latest radio audience measurement wave for November-December 2012, published by Médiamétrie at the start of 2013, has confirmed the strong rate of audience growth for **NRJ's station, attracting 6,195,000 daily listeners**<sup>3</sup>. On a yearly basis, the station was once again the quickest-growing radio station in terms of audience shares, while recording its 10th consecutive wave of year-on-year growth<sup>4</sup>.

The Group is actively working on the audiences for its other stations, and this approach is starting to deliver benefits for the **CHERIE FM** station, with all its audience indicators progressing over one year<sup>5</sup>. Overall, with the stations **NOSTALGIE** and **RIRE & CHANSONS**, the **NRJ GROUP is listened to by more than 12 million people each day**.

<sup>3</sup> Sources: Médiamétrie 126,000 Radio, November-December 2012, Monday to Friday, 5am-midnight, 13 year olds and over - aggregate audience

<sup>4</sup> Sources: Médiamétrie 126,000 Radio, November-December 2012, Monday to Friday, 5am-midnight, 13 year olds and over - annual audience share growth

<sup>5</sup> Sources: Médiamétrie 126,000 Radio, November-December 2012, Monday to Friday, 5am-midnight, 13 year olds and over - annual growth in aggregate audience, audience share, listening time and quarter of an hour average

In the **Television** business, revenues climbed 7.5% from 77.7 million euros in 2011 to 83.5 million euros in 2012, despite a difficult advertising market.

In 2012, the Group continued to develop strongly on the free national television market.

In terms of audience shares, on average over 2012, **NRJ12 confirmed its position as the number three new DTTV channel for all audiences combined**, while significantly developing its strong commercial position, achieving the highest annual increases in audience shares on the key commercial targets, all channels combined, including a **3.0% audience share on the target for women under 50 in charge of purchases in 2012**<sup>6</sup>.

In December 2012, the Group also successfully launched CHÉRIE 25, its second free national channel, and is now able to offer, for the first time in France on free national television, a channel devoted exclusively to women. The channel's first audience results, published in March 2013, are particularly encouraging, with 60% of the channel's audience made up of women aged 15 and over, and a 0.4% audience share on women under 50 in charge of purchases<sup>7</sup>.

Alongside this, the Group has continued to record good audience scores for its channels: NRJ HITS, the number one cable, satellite and ADSL music channel<sup>8</sup>, and NRJ PARIS, the strongest-growing channel in the Paris Region, with its audience increasing by 48% over one year and climbing to record levels<sup>9</sup>.

The Television division saw its costs rise in 2012, in line with growth in the business, ongoing investments in NRJ 12's programming schedule, set against the strengthening of the channel's identity productions, and costs relating to the launch of CHÉRIE 25 in December 2012.

Overall, in light of the slowdown in revenue growth in a difficult market environment, combined with the increase in operating expenses, the Television division recorded a current operating loss excluding dissimilar barbers of 5.3 million euros in 2012, compared with a 1.7 million euro loss in 2011. Excluding losses linked to the launch of CHÉRIE 25, the Television division's loss comes out at 1.0 million euros, versus 1.7 million euros in 2011. The national channels division (NRJ 12 + NRJ HITS) generated 0.3 million euros in current EBIT excluding dissimilar barbers for 2012, after breaking even in 2011, while NRJ PARIS posted a 1.3 million euro loss in 2012, compared with a loss of 1.7 million euros in 2011.

The **International Business** division's revenues totalled 42.7 million euros in 2012, compared with 40.0 million euros in 2011, up 6.8% (+6.8% on a comparable basis and at constant exchange rates), driven by revenue growth in Germany, Belgium and Finland.

Faced with a slight drop in operating expenses for the division overall and an increase in revenues, current EBIT excluding dissimilar barbers came to 4.0 million euros in 2012, compared with 0.7 million euros in 2011, giving an increase of over 471%. More specifically, this strong growth factors in a clear improvement in current EBIT excluding dissimilar barbers for the German-speaking region, within which Germany's current EBIT excluding dissimilar barbers came in positive at 0.5 million euros.

The **Shows and Other Productions** division achieved very strong revenue growth, up 390.3% from 3.1 million euros in 2011 to 15.2 million euros for 2012, primarily reflecting the success of the musical "1789 Les Amants de la Bastille". Excluding the musical, the division's revenues are up 22.6%.

The division's current EBIT excluding dissimilar barbers climbed to 4.4 million euros in 2012, compared with 1.7 million euros in 2011. This significant progress reflects not only the musical's success, but also the increase in current EBIT excluding dissimilar barbers for the music label, which is continuing to grow.

The Group's **Broadcasting** business has continued to see strong growth in its revenues, in line with its development on the DTTV and FM broadcasting market. It contributed 48.9 million euros to consolidated revenues in 2012, compared with 42.1 million euros in 2011, up 16.2%.

In view of the activity's development, operating expenses are up, notably as a result of an increase in broadcasting costs and depreciation charges.

In total, the Broadcasting division achieved 25.4 million euros in EBITDA<sup>10</sup> in 2012, compared with 18.6 million euros in 2011, while current EBIT excluding dissimilar barbers came in at 12.7 million euros for 2012, up 54.9% from 8.2 million euros in 2011.

<sup>6</sup> Médiamétrie Médiamat, 2012, Monday to Sunday, 03:00-27:00, extrapolated average rate and audience share, 4 year olds and over and targets mentioned, NRJ12

<sup>7</sup> Médiamétrie, Médiamat, CHÉRIE 25, consolidated audiences from 31 December 2012 to 3 March 2013, Base 4+ with CHÉRIE 25, Monday to Sunday, 03:00-27:00, extrapolated average rate, audience share and average rate structure

<sup>8</sup> Médiamétrie, MédiamatThématik, consolidated audience, Wave 23, Monday to Sunday, 03:00-27:00, 4 year-olds and over

<sup>9</sup> Médiamétrie, local TV survey, September-December 2012, base 15+equipped with TV in Paris Region, annual growth: September-December 2012 vs September-December 2011 in quarter of an hour average

<sup>10</sup> Current EBIT excluding dissimilar barbers before depreciation and provisions

Current EBIT excluding dissimilar barbers for the **Other Business** division, which includes income and expenses relating to management and transfer-costing for support functions, shows a loss of 0.4 million euros for 2012, compared with a 1.1 million euro loss in 2011.

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## **Recent developments and outlook**

In an environment that is still uncertain in 2013, the Group is confident that it will be able to continue developing its business, and more specifically:

- On Radio, it will continue to develop the audiences for all its stations,
- On Television, the Group will continue moving forward with its policy to develop identity productions, harnessing synergies with its two free national television channels,
- Internationally, the Group will continue building on the work accomplished to date with a view to increasing the division's operating margin,
- Lastly, on the Broadcasting business, the Group will continue to develop its operations, particularly on the DTTV broadcasting market in connection with the deployment, scheduled through to mid-2015, of the six new HD channels launched in December 2012. This deployment will be accompanied by an upturn in investments.

### Trends

To date, advertising revenues for media activities in France (radio, internet and television) over the period from January to February 2013 have come in higher than the same period in 2012.

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### **Additional information:**

*The NRJ GROUP's corporate and consolidated financial statements for 2012 were approved by the Board of Directors on 19 March 2013.*

*The audit procedures on the corporate and consolidated accounts have been completed. The certification reports will be issued once the necessary procedures have been finalised for the filing of the reference document or the publication of the annual financial report.*

### **About NRJ GROUP**

*NRJ GROUP is one of the leading private media groups in France and an international player present in 22 other countries, either directly or under brand licensing agreements with NRJ/ENERGY, the number one international radio brand, and/or NOSTALGIE/NOSTALGIA. In France, the Group is the private radio market leader and one of the new players on the television market. The Group is also a growing player on the radio broadcasting market, through its subsidiary towerCast, number two on the French broadcasting market. NRJ GROUP is a publisher, producer and broadcaster, and markets its own media spaces. For several years, it has been supported by the strength of its radio media and its NRJ, NOSTALGIE, CHERIE FM and RIRE & CHANSONS brands, as well as its marketing expertise and commercial power for deploying new media, particularly on television, and related activities around partnerships, such as Mobile Telephony, in order to follow and anticipate consumer developments, while offering a wider range of advertising services for its customers.*

*NRJ GROUP shares are listed on the Euronext market in Paris (Compartment B).  
Codes - ISIN: FR000121691; Reuters: SONO.PA; Bloomberg: NRG FP.*

The Group will be releasing its first-quarter financials on 23 April 2013  
(press release published after close of trading on the Paris stock exchange)  
The Group will be holding its general meeting on 28 May 2013 at its registered office

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