



EUROPACORP

PRESS RELEASE

REVENUE FOR Q1 2010/2011: €23 million

- **First contribution from the newly-created business line: TV Series**

Paris, 12 August 2010 – EUROPACORP (FR0010490920), producer and distributor of feature films and one of Europe's leading independent film studios, today announces its unaudited consolidated revenue to 30 June 2010, i.e. for the first quarter of its 2010/2011 financial year.

Consolidated revenue – unaudited

Revenue* (€ millions)	Q1 2010/11	Q1 2009/10	Δ
International sales	4.8	3.1	+54.8%
<i>% of Revenue</i>	<i>20.8%</i>	<i>15.2%</i>	
Cinemas, France	5.6	1.5	+273.3%
<i>% of Revenue</i>	<i>24.1%</i>	<i>7.4%</i>	
Video, France	2.8	6.2	-54.8%
<i>% of Revenue</i>	<i>12.3%</i>	<i>30.4%</i>	
Television, France	3.8	6.0	-36.7%
<i>% of Revenue</i>	<i>16.6%</i>	<i>29.5%</i>	
Subsidies	1.3	1.1	-18.2%
<i>% of Revenue</i>	<i>5.6%</i>	<i>5.4%</i>	
TV Series	3.6	-	N/A
<i>% of Revenue</i>	<i>15.6%</i>		
Other activities	1.2	2.4	-50.0%
<i>% of Revenue</i>	<i>5.1%</i>	<i>11.8%</i>	
EuropaCorp group	23.0	20.4	+12.7%

* EuropaCorp's financial year runs to 31 March

The Group's revenue for the first quarter of its 2010/2011 financial year totalled €23.0 million, versus €20.4 million for the first quarter of the previous financial year, or an increase of +12.7%. For the first time, this revenue includes earnings from the TV Series business line that was recently created following the acquisition of Cipango in April 2010. This new business line incorporates all of the Group's production of television fiction activity.

Revenue for the first quarter of 2010/2011 essentially consisted of:

- international sales of €4.8 million, mainly driven by the first international deliveries of *The Extraordinary Adventures of Adèle Blanc-Sec* and sales of *22 Bullets*;
- improved French box office revenue of €5.6 million, which essentially reflects box office takings for *The Extraordinary Adventures of Adèle Blanc-Sec*, which was released on 14 April 2010, and *22 Bullets*, released on 24 March 2010;
- French Video Sales of €2.8 million: in the absence of any major new DVD releases over the period, French video revenue essentially came from EuropaCorp's film catalogue;
- French Television revenue of €3.8 million, down because of the lack of any major broadcasting window, with the exception of *Hallelujah!*;
- TV Series revenue of €3.6 million resulting notably from the consolidation of *Cipango* and the commercialisation of new episodes of the successful series *Les Bleus: Premiers pas dans la police*. The TV Series business line already represents 15.6% of Group activity over the quarter;
- "Other" revenue of €1.2 million, notably consisting of income resulting from signed partnerships.

Outlook

The Group would like to remind one that its revenue is tied to the release schedule of its films in their various forms of exploitation, a schedule that can result in significant variations in revenue per segment of activity from one quarter or half to the next. Revenue recorded over a quarter or half therefore has little bearing on annual revenue.

As announced when 2009/2010 annual results were published, EuropaCorp is anticipating a smaller number of film releases over the current financial year. Backed by an organisation that has now been strengthened, both within the Upper Management and with the creation of a Cinema Division, the Group is furthermore continuing to invest substantially in the production of films with an international dimension.

Shooting has thus begun this summer on a new film with high international potential: *Colombiana*, by Olivier Megaton with Zoë Saldana, the main heroin of *Avatar*. In October, shooting will also begin on a new English-spoken film written and produced by Luc Besson and aimed at the international market, and which is scheduled to be released during the 2011/2012 financial year.

Simultaneously, new television productions have also been launched since the start of the summer, with shooting currently underway for 13 one-hour episodes of *XIII – The series*.

Furthermore, within the framework of a strengthening of its production capacities, work on the *Cité du Cinéma* has begun on the Saint Denis site in northern Paris, following the signing of financing agreements in the first half of 2010.

EuropaCorp is thus reaffirming its intention of deploying its medium-term strategy based on twofold leverage: a substantial portion of international business, which generates higher margins, and the surge in recurrent revenue, notably from the production of television programmes and from its catalogue.

Financial schedule

28 September 2010: General Meeting of Shareholders
30 November 2010: HY 2010/2011 revenue and results

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