



Paris, 30 August 2010

2010 first-half earnings

A STEEP RISE IN EARNINGS

Revenues excluding barbers of 19.1 million euros : up 80.2%

Net income, Group share of 9.8 million euros: up 226.7%

The Board of Directors meeting on 30 August 2010 approved the summary consolidated accounts for the first half of 2010. The accounts were subjected to a limited examination, after which the auditors released a report with no reservations.

6 months to 30 June in millions euros	2010	2009	Change
Revenues excluding dissimilar barbers	165.2	166.2	-0.6%
Revenues including dissimilar barbers	168.6	170.0	-0.8%
EBIT excluding dissimilar barbers	19.2	11.2	+71.4%
EBIT	19.1	10.6	+80.2%
Consolidated net profit (group share)	9.8	3.0	+226.7%

in millions euros	30/06/2010	31/12/2009	Change
Net cash	94.8	117.6	-19.4
Shareholders' equity	449.3	453.1	-0.8%

In the first half of 2010, NRJ GROUP registered a steep rise in earnings, mainly due to substantial growth in EBIT in its media activities in France (Musical Media and Events and Television), despite the negative impact of stopping the musical comedy "Cléopâtre", whose run ended in January 2010.

EBIT reached 19.1 million euros in the first half of 2010 as against 10.6 million euros in the first half of 2009, up by 80.2%.

Stripping out "Cléopâtre", EBIT of 18.7 million euros for the first half of 2010 can be compared with 7.4 million euros for the same period of 2009, an increase of 152.7%.

Taking into account net non-current operating expenses of 1.1 million euros, net financial income of 0.3 million, a tax charge of 7.5 million euros, the share of losses of equity affiliates of 1.0 million euros and a negligible minority interests share in net income, **total net income, Group share** for the first half of 2010 totalled 9.8 million. This compares with 3.0 million euros for the same period of 2009, a steep rise of 226.7%.

The Group held net cash at 30 June 2010 of 94.8 million euros, down by 22.8 million euros relative to 31 December 2009, mainly due to the resumption of payment of an NRJ GROUP dividend of an amount of 16.3 million euros and an increase of 10.8 millions euros in inventories of programmes purchased by the Television division.

Turnover and EBIT (excluding barter) by activity

6 months to 30 June in millions euros	2010	2009	Change
Musical Media and Events	99.1	98.1	+1.0%
Television	29.9	19.8	+51.0%
International Activities	17.1	16.4	+4.3%
Shows and Other Productions	3.4	18.2	-81.3%
Broadcasting	15.7	13.7	+14.6%
Turnover excluding dissimilar barter	165.2	166.2	-0.6%
Dissimilar barter	3.4	3.8	-10.5%
Turnover including dissimilar barter	168.6	170.0	-0.8%

6 months to 30 June in millions euros	2010	2009	Change
Musical Media and Events	21.2	16.4	+29.3%
Television	(4.4)	(9.7)	-54.6%
International Activities	0.3	(0.6)	na
Shows and Other Productions	0.5	3.9	-87.2%
Broadcasting	3.0	2.9	+3.4%
Other activities	(1.4)	(1.7)	-17.6%
EBIT excluding dissimilar barter	19.2	11.2	+71.4%
Results of dissimilar barter	(0.1)	(0.6)	-83.3%
EBIT	19.1	10.6	+80.2%

na: non applicable

In the first half of 2010, turnover for the **Musical Media and Events** division reached 99.1 million euros compared with 98.1 million euros in the same period of 2009, representing a 1.0% increase. This growth included a 2.7% rise in radio in France (up by 4.4% in the second half year). Part of this increase was offset by a fall at Events due to the non renewal of musical events.

The Group continued its efforts to keep its charges under control after the substantial savings made during the second half of 2008 and throughout 2009. Operating charges of 77.9 million euros in the first half of 2010 came down by 3.8 million euros relative to the same period of 2009.

EBIT before barter at the Musical Media and Events division stood at 21.2 million euros in the first half of 2010 compared with 16.4 million euros for the same period of 2009, down by 29.3% due to a combination of a slight rise in turnover and a fall in charges.

Regarding radio audiences in France, against an overall positive backdrop for music radio stations according to Médiamétrie's latest survey for April-June 2010, NRJ confirmed its position as France's leading radio station among listeners under 50 and NRJ GROUP confirmed its position as France's leading radio group with nearly 21,6 million listeners per week.

(Source: Médiamétrie – 126,000 RADIO – aggregate audience April-June 2010 – Monday to Friday – 5 am to midnight – target 13 year olds and over).

In **Television**, in the growing Digital Terrestrial Television market, turnover stood at 29.9 million euros in the first half of 2010 against 19.8 million euros in the same period of 2009. It showed a steep 51.0% rise, including growth of 54.5% in the second half year.

According to the most recent surveys, audiences to the Group's channels continued to show highly satisfactory growth:

- NRJ 12 confirmed its position as the number 3 general channel in DTT, with an average national audience share of 2.0% (up by 33% in one year) and more than 34.5 million viewers in June 2010. (source Médiamétrie – Médiamat DTT, target audience share of 4 years and + – June 2010 and June 2009).
- NRJ PARIS once again confirmed its position as the leading local Ile de France channel in the first half of 2010 with more than 1.1 million weekly viewers. (source Médiamétrie – Survey of local TV channels January-June 2010, basis 15 years and older equipped with TV in Paris region).
- NRJ HITS is now the leading musical channel in the CabSat and ADSL universe, ahead of MTV with more than 5 million viewers per month. (source Médiamétrie – Médiamat thematic, wave 19 from 1 March to 20 June 2010 monthly cover, base: average ¼ hour per target for music channels, Monday to Sunday, 3 pm to 12 pm).

The Television division's loss in EBIT excluding barbers has continued to narrow due to the steep rise in turnover and the fact that operating costs have been kept under control. The loss stood at 4.4 million euros in the first half of 2010 against a loss of 9.7 million euros in the same period of 2009.

Programming developments at NRJ 12 accounted for part of the 4.9 million euro rise in the Television division's charges between the first half of 2009 and the first half of 2010. The balance was due to a rise in variable charges (in particular the COSIP tax), media buying charges for the Television division and support function charges.

Turnover for the **International Activities** division stood at 17.1 million euros compared with 16.4 million euros in the first half of 2009, up by 4.3% (up 2.7% on constant consolidation scope and forex) in a context of steep turnover growth in the German-speaking zone: 19.5% in the first half and 28.6% in the second half (up by respectively 18.2% and 26.2% on constant consolidation scope).

The division's overall operating charges were further trimmed by 0.2 million euros compared with the first half of 2009. Savings realised in French-speaking and Nordic zones plus proceeds of brand licensing offset charges in the German zone to extend audiences through the development of new frequencies in Germany (June 2010) and Austria (2008 and 2009).

Overall, the International division's rise in turnover, combined with a slight fall in charges, will enable it to show a slight positive EBIT before barbers of 0.3 million euros in the second half of 2010 versus a loss of 0.6 million euros in the same period of 2009.

Turnover for the **Shows and Other Productions** division stood at 3.4 million euros in the first half of 2010 against 18.2 million euros for the same period of 2009. Since the last shows stopped in late January 2010, CLN Spectacles SAS (the company behind "Cléopâtre") contributed 2.6 million euros to the Group's consolidated turnover for the first half of 2010 compared with 17.2 million euros for the same period of 2009.

The division's charges reached 2.8 million euros in the first half of 2010 versus 14.3 million euros in the same period of 2009. Like its turnover, the division's charges fell steeply due to the end of the musical comedy's run at the end of January 2010. Excluding "Cléopâtre", the bulk of the division's turnover came from the NRJ MUSIC label, whose satisfactory development continued in the first half of 2010 in the market for music compilations.

Overall EBIT before barbers for the Shows and Other Productions division totalled 0.5 million euros in the first half of 2010 versus 3.9 million euros in the same period of 2009. The contribution of "Cléopâtre" to EBIT before barbers totalled 0.4 million euros in the first half of 2010 against 3.2 million euros in the same period of 2009.

The **Broadcasting division** continued to develop, in particular due to the gradual winding down of analogue broadcasting and the switch to all-digital television. The Broadcasting division's contribution to consolidated turnover totalled 15.7 million euros in the first half of 2010 compared with 13.7 million euros in the same period of 2009, up by 14.6%.

Operating charges, in particular depreciation and amortisation plus external charges, continued rising thanks to considerable growth in turnover and substantial investments made by the Group's broadcasting subsidiary towerCast.

Overall EBITDA (earnings before depreciation & amortisation and provisions) reached 7.2 million euros in the first half of 2010 versus 6.7 million euros in the same period of 2009, and EBIT before barbers stood at 3.0 million euros, virtually flat relative to the first half of 2009.

EBIT excluding barbers for the **Other Activities division**, which includes the balance of expenditure for the central functions not assigned to the various operational divisions, showed a saving of 0.3 million euros.

Trends and outlook

In July and August, the Group registered an increase in advertising income in France that should continue in September, showing growth in radio sales and a steep rise in television compared with the same period in 2009.

As regards radio in France, the Group continued the work begun on its stations with new programming for September. For NRJ this will include a new morning formula with Nikos Aliagas and a new evening show with Sébastien Cauet. Nostalgie will offer a new morning show featuring Pascal Bataille and Laurent Fontaine.

In television, the Group continued to develop channels NRJ 12, NRJ PARIS and NRJ HITS. September's programming for NRJ 12 will be further strengthened with totally new magazine and entertainment concepts, serials including some exclusive ones and more great moments of cinema. In a context of granting bonus channels to the historical channels in France, the Group also plans to apply to France's regulator, the CSA (*Conseil Supérieur de l'Audiovisuel*), to create a new free national television channel to be called Chérie HD, a high-definition channel for women and family audiences.

Lastly, during the second half year, the Group will maintain its efforts to keep down the charges for its historical activities and continue the rise in charges for its activities under development.

The financial report for the first half of 2010 will be available on the Group's internet site at www.nrjgroup.fr by 31 August 2010 at the latest.

The Group will publish financial information for the third quarter on 4 November 2010
(press release published after close of trading on the Paris stock exchange)

Analyst and Investor Information

NRJ GROUP – Financial Communications, 22 rue Boileau, 75016 Paris, France
Frédéric Patureau / Tel: + 33 1 40 71 78 05 / e-mail : fpatureau@nrj.fr
NRJ GROUP – Code Isin FR000121691 / Reuters: SONO.PA / Bloomberg: NRG FP
www.nrjgroup.fr

NRJ GROUP
Public limited company under French law (société anonyme), with capital of 830,860.30 euros - SIREN trade register number 332 036 128 RCS PARIS
Registered office: 22 rue Boileau, 75016 Paris, France