



telegraaf media groep





telegraaf media groep

Results TMG 09Q2 + 09H1

Analysts presentation

August 14, 2009

Agenda and Contents of Presentation



- A.J. Swartjes – CEO
 - 09Q2 and 09H1 at a glance
 - Programme of cost reductions
 - Portfolio changes 2002 -2009
 - Outlook
- F.Th.J. Arp – CFO
 - Analysis results 09Q2
 - Headlines - Continued and discontinued operations - Reported and recurring EBITA
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 - Headlines - Reported and recurring EBITA - Segment information - Revenue development - Cost reductions - ProSiebenSat.1 Media AG - Statement of cash flows - Statement of the financial position
- Q&A

Consolidated Statement of Comprehensive Income



<i>Amounts x € 1 m</i>	09Q2	09H1	08H1
Total Revenues	155.2	303.0	341.7
Operating Expenses	<u>153.0</u>	<u>304.8</u>	<u>334.8</u>
Operating Result (EBIT)	2.2	-1.8	6.9
Financial Income and Expenses	<u>1.2</u>	<u>0.7</u>	<u>-177.2</u>
Result before Tax	3.4	-1.1	-170.3
Income Tax	<u>0.3</u>	<u>-1.2</u>	<u>1.7</u>
Result after tax (recurring)	3.1	0.1	-172.0
Net result discontinued activities	<u>2.7</u>	<u>1.9</u>	<u>-4.0</u>
Net result	5.8	2.0	-176.0

Key Figures - continued operations



<i>Amounts x € 1 million</i>	09Q1	09Q2	09H1
Revenues (recurring)	146.9	154.6	301.5
Expenses (recurring)	<u>142.2</u>	<u>141.5</u>	<u>283.7</u>
EBITA (recurring)	4.7	13.1	17.8
EBITA margin (recurring)	3.2%	8.5%	5.9%

<i>Amounts x € 1 million</i>	08Q1	08Q2	08H1
Revenues (recurring)	162.5	177.4	339.9
Expenses (recurring)	<u>151.3</u>	<u>158.6</u>	<u>310.0</u>
EBITA (recurring)	11.2	18.8	30.0
EBITA margin (recurring)	6.9%	10.6%	8.8%

Last Year's Announcement



“..In order to improve margins restructuring measures will be taken to decrease yearly cost level by €40.0 to €50.0 million (over the period august 2008 – 2010)..” :

- by divesting insufficiently contributing activities
 - in Sweden and Ukraine
 - in the Netherlands part of the magazine portfolio and Media Librium (digital out-of-home media)

Realised

- by personnel reduction of 494 FTE (excluding 100 FTE of Transport)

On scheme

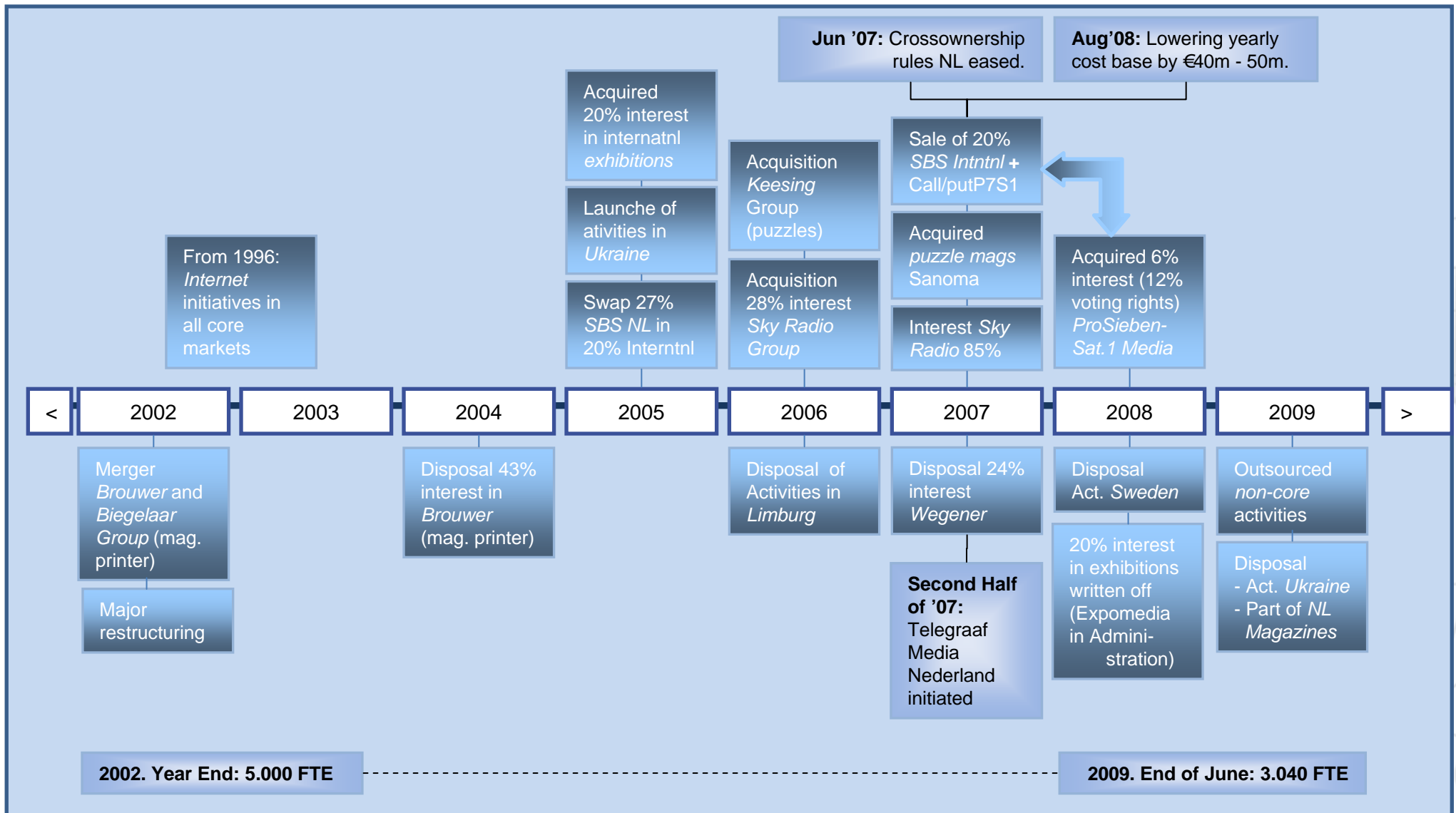
- by outsourcing of non-core activities

Realised

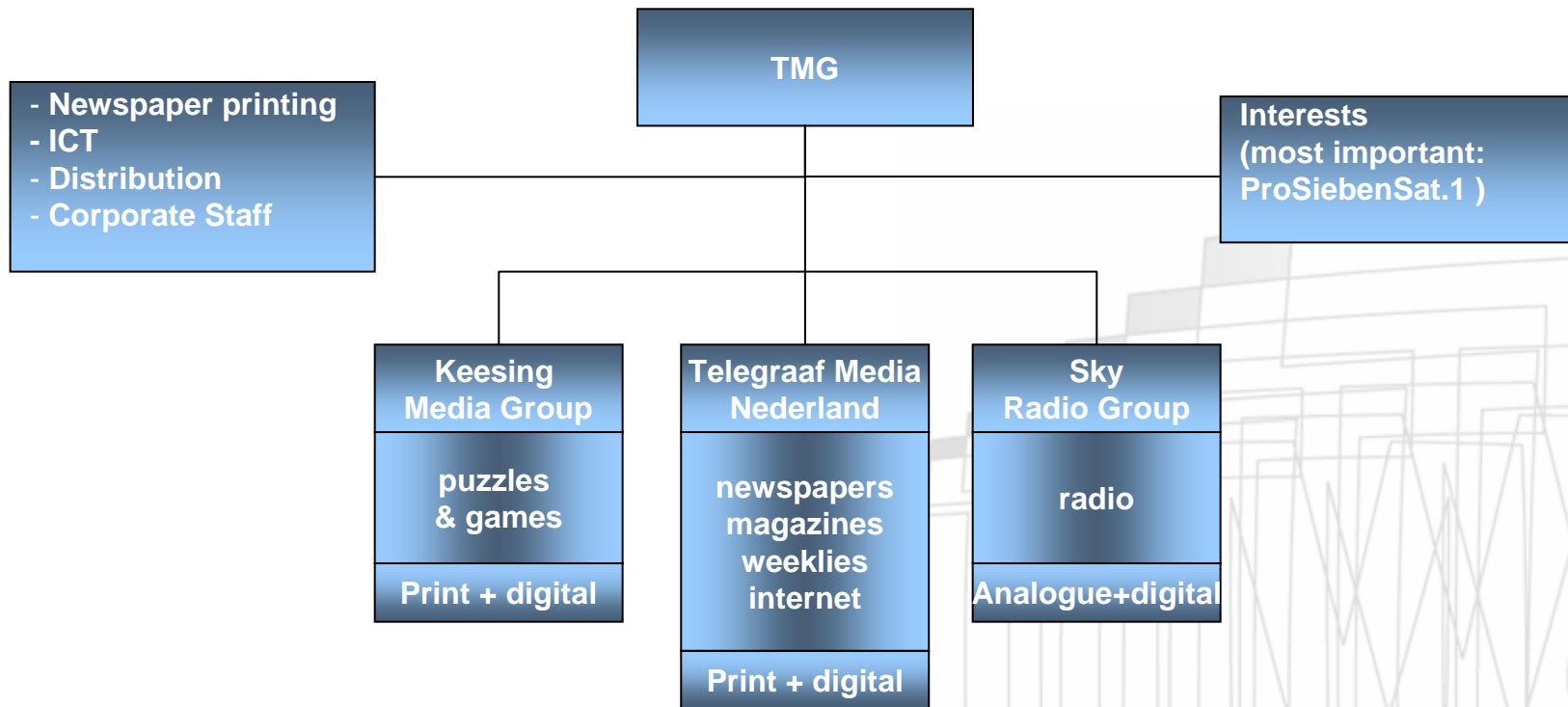
- And the new organisation Telegraaf Media Nederland brings extra opportunities for realising synergies and cost reduction

Realised and ongoing

Main Portfolio Changes 2002 - 2009



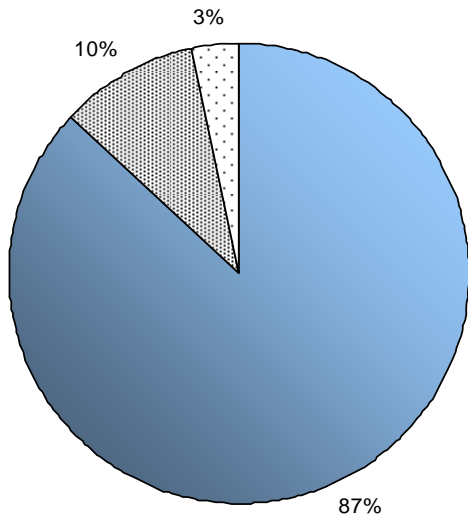
Changes have led to.. (1)



Changes have led to.. (2)

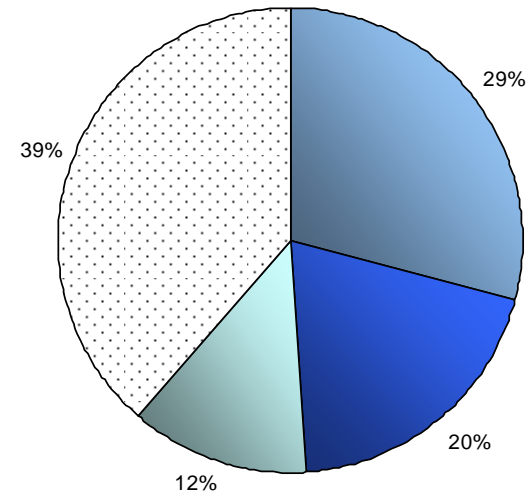


**2000 pro forma EBITA
(excluding overhead)**



■ Print Media ■ pro forma Wegener* □ pro forma SBS*

**2009 H1 pro forma EBITA
(excluding overhead)**



■ Print Media ■ Radio ■ Puzzles & Games □ pro forma ProSiebenSat.1**

Pro forma:

* 24% pro rata EBITA result Wegener

* 27% pro rata EBITA-result SBS (Netherlands)

** 6 % pro rata EBITA-result ProSieben Sat.1 Media AG

Outlook Full Year 2009



- **Irresponsible to make any predictions under the current circumstances**
- Impossible to make projections concerning pace at which earlier communicated margin targets will be achieved.
- Items affecting the operating result over full year 2009 (compared to 2008):
 - Circulation revenue expected to remain more or less stable
 - Advertising income (print plus radio) significantly lower
 - Increase of revenues from digital activities
 - Costs:
 - impact of outsourcing of non-core activities, portfolio changes and reductions are in line with the in 2008 estimated reduction of €31m.
 - This is mainly offset by salary increases under Collective Labour Agreements (CAO)

IFRS - TMG semi-annual report 2009



- The consolidated semi-annual report has been prepared in accordance with the International Financial Reporting Standards (IFRS) IAS 34 Interim Financial reporting, as adopted and authorized by the European Commission
- The presentation of the income statement is on continued operations, comparative financial figures H1 2008 have been reclassified

Contents Financials Results



I Analysis result Q2 2009

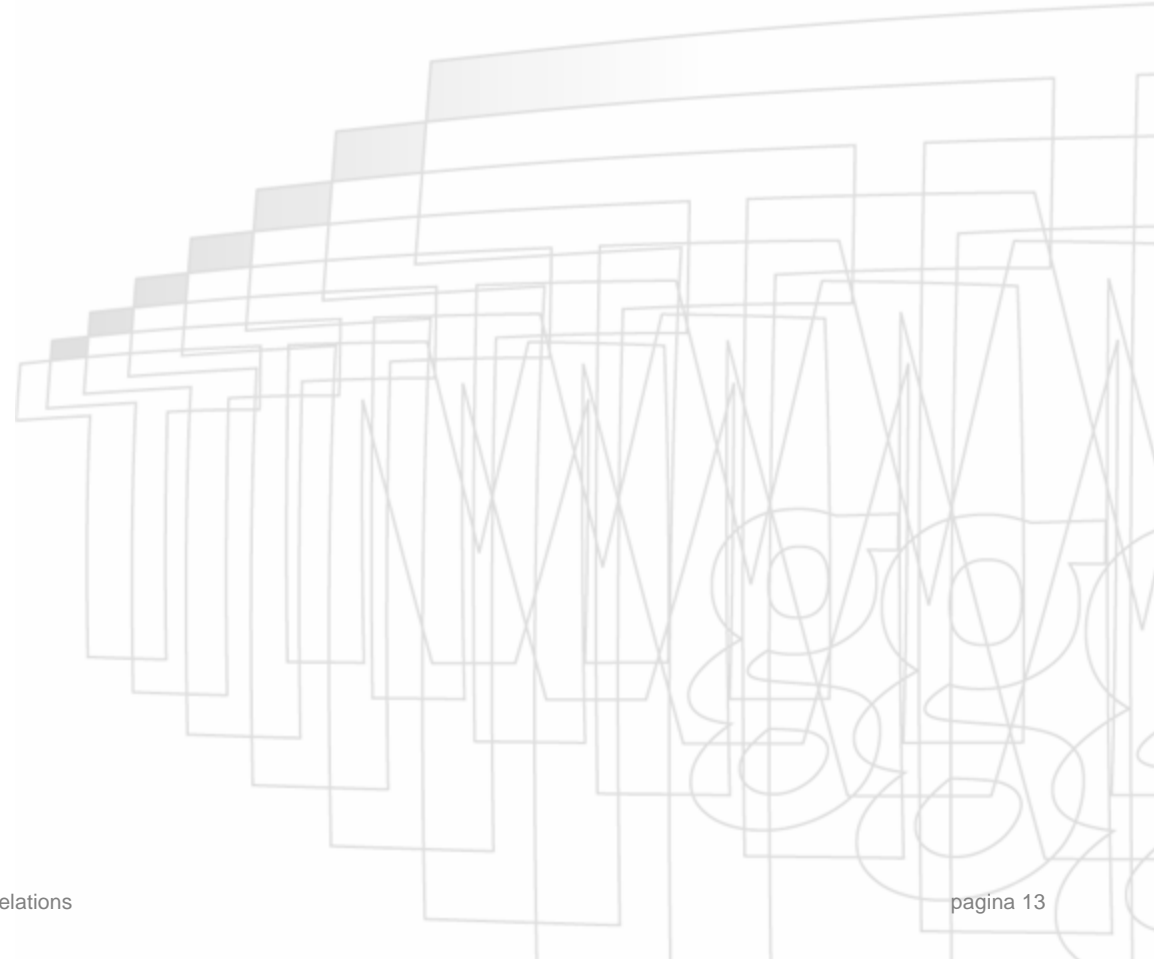
- Headlines
- Continued and discontinued operations
- Reported and recurring EBITA

II Analysis result H1 2009

- Headlines
- Reported and recurring EBITA
- Segment information
- Revenue development
- Cost reductions
- ProSiebenSat.1 Media AG
- Statement of cash flows
- Statement of the financial position



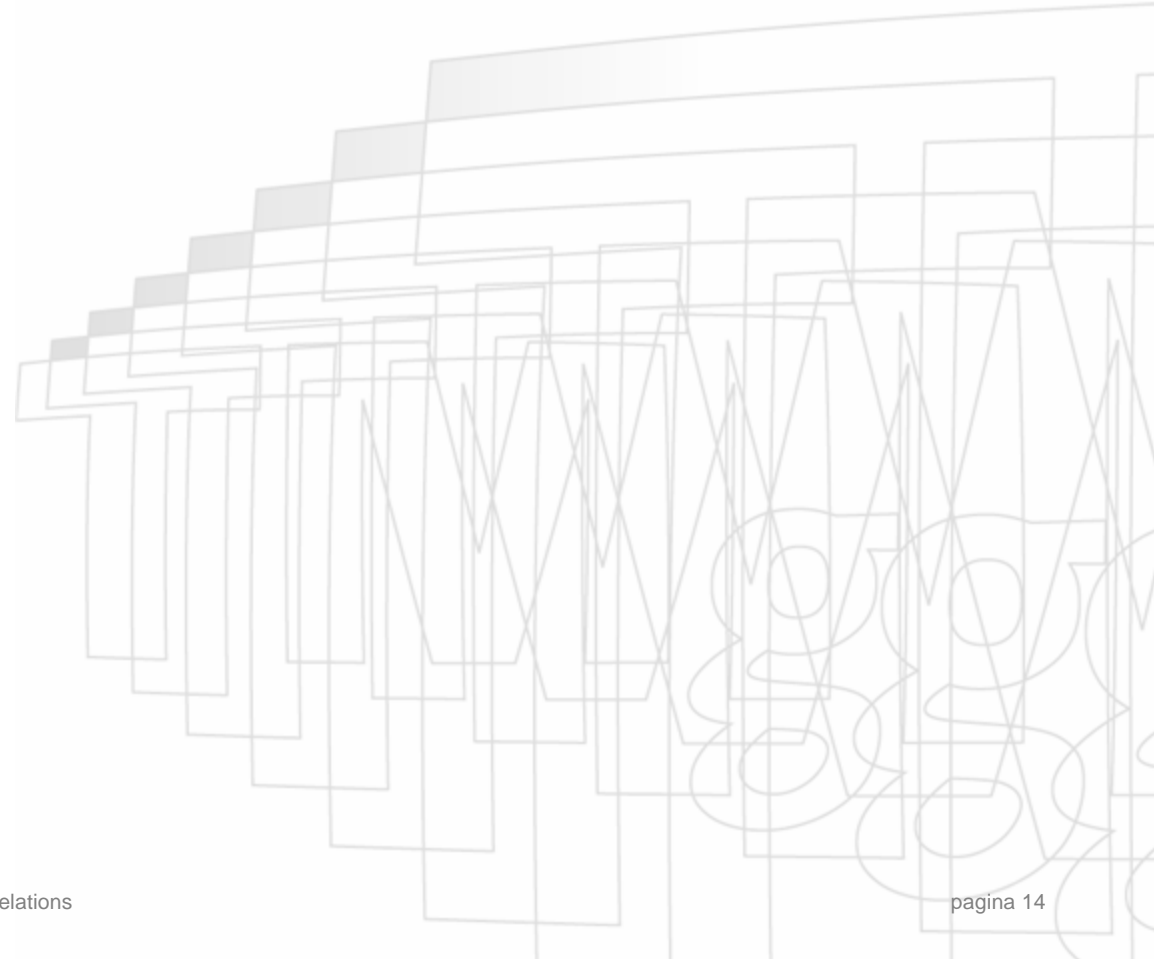
Q2 2009



I Analysis result Q2 2009



- Headlines
- Continued and discontinued operations
- Reported and recurring EBITA



Headlines - continued operations

(amounts in millions of euro)



	<u>Q2 2009</u>	<u>Q2 2008</u>
Revenues (recurring)	154,6	177,4
Expenses (recurring)	<u>141,5</u>	<u>158,6</u>
EBITA (recurring)	<u>13,1</u>	<u>18,8</u>
EBITA margin (recurring)	8,5 %	10,6 %
Financial income and expenses ¹⁾	1,2	-182,3
Net result ²⁾	6,2	-178,6

¹⁾ Q2 2008 including € 185M impairment loss ProSiebenSat.1 Media AG

²⁾ Attributable to shareholders TMG

Continued and discontinued operations

(amounts in millions of euro)



Recurring	Total operations		Discontinued operations		Continued operations	
	<u>Q2 2009</u>	<u>Q2 2008</u>	<u>Q2 2009</u>	<u>Q2 2008</u>	<u>Q2 2009</u>	<u>Q2 2008</u>
Revenues	155.5	188.6	0.9	11.2	154.6	177.4
Expenses ¹⁾	143.0	170.5	1.5	11.9	141.5	158.6
EBITA	12.5	18.1	-0.6	-0.7	13.1	18.8
EBITA-margin	8.0%	9.6%			8.5%	10.6%

¹⁾ Excluding amortisation and impairment loss

EBITA reported and recurring - continued operations



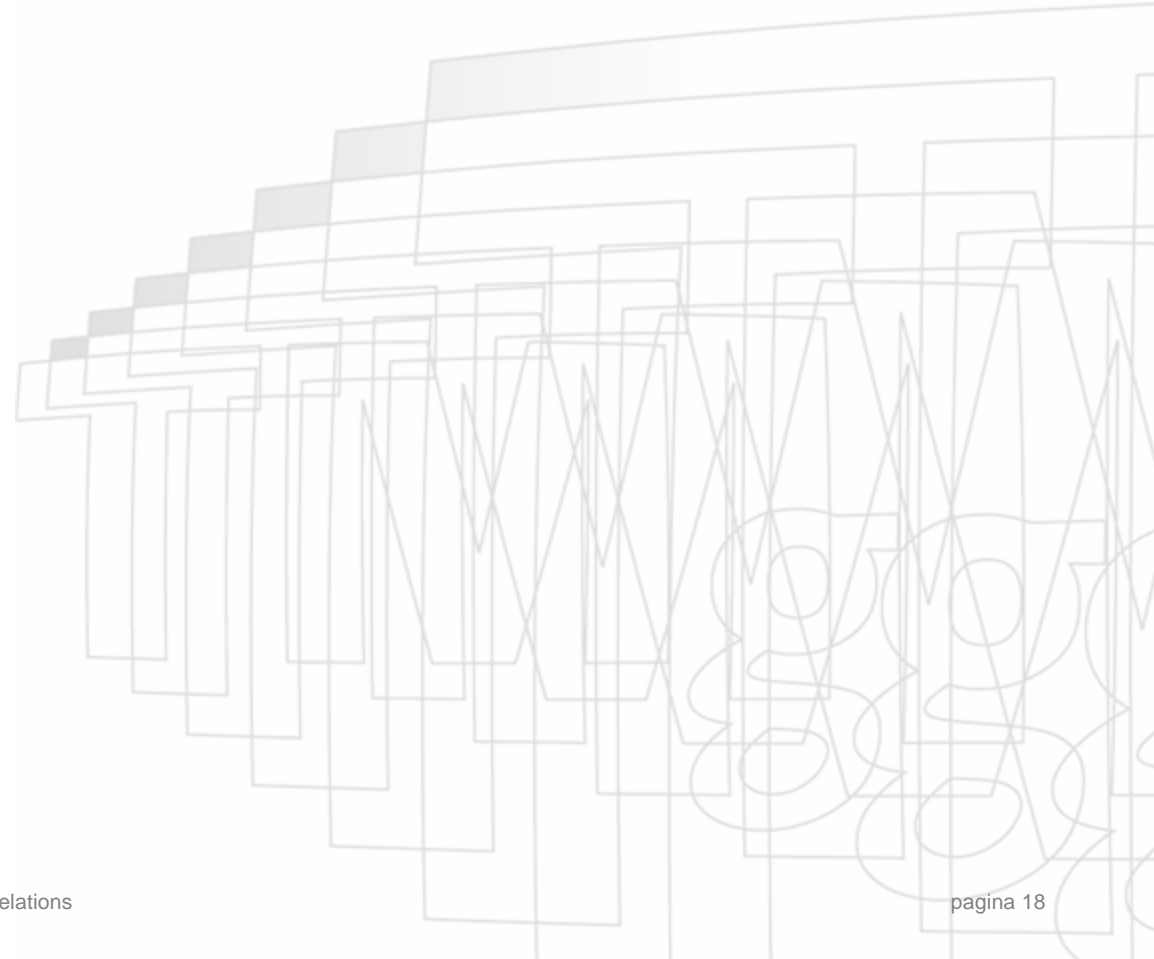
*€ 1,000

	<u>Q2 2009</u>		<u>Q2 2008</u>	
	<u>Reported</u>	<u>Recurring</u>	<u>Recurring</u>	<u>Reported</u>
Revenues	154.631	154.631	177.408	177.408
Other operating income	607			870
Total income	<u>155.238</u>	<u>154.631</u>	<u>177.408</u>	<u>178.278</u>
Total operating expenses excl. amortisation and impairment loss	<u>142.011</u>	<u>141.508</u>	<u>158.640</u>	<u>163.921</u>
EBITA	13.227	13.123	18.766	14.357
EBITA margin		8,5%	10,6%	
Amortisation intangible assets ¹⁾	9.483	9.483	9.158	9.158
Impairment loss of intangible assets	1.511			551
Amortisation and impairment loss	<u>10.994</u>	<u>9.483</u>	<u>9.158</u>	<u>9.709</u>
EBIT	2.233	3.640	9.608	4.648

¹⁾ Including amortisation license costs Sky Radio (cash out) 2,465.



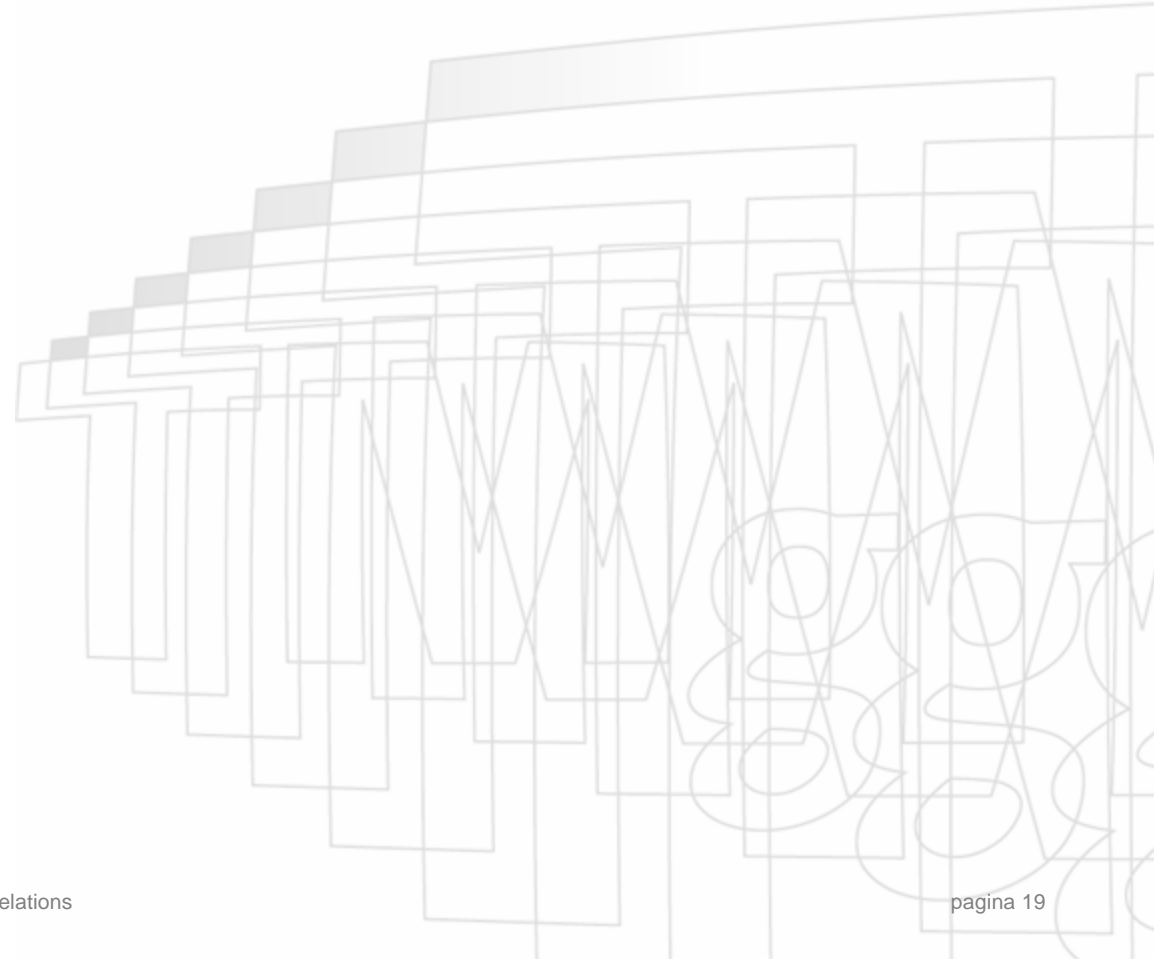
H1 2009



II Analysis result H1 2009



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Headlines - continued operations

(amounts in millions of euro)

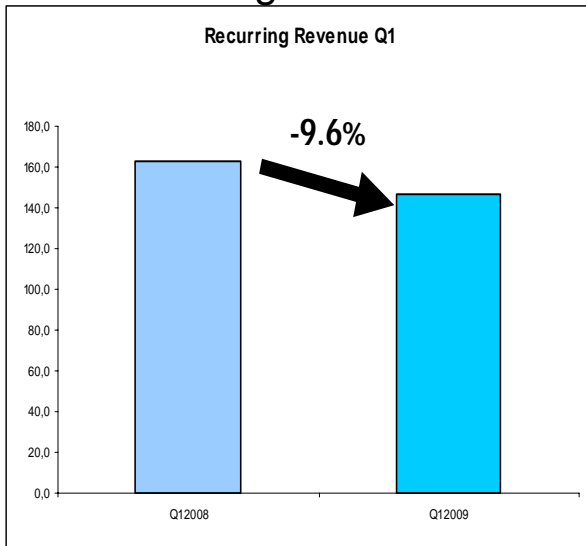


	<u>Q1 2009</u>	<u>Q2 2009</u>	<u>H1 2009</u>
Revenues (recurring)	146.9	154.6	301.5
Expenses (recurring)	<u>142.2</u>	<u>141.5</u>	<u>283.7</u>
EBITA (recurring)	4.7	13.1	17.8
EBITA margin (recurring)	3.2 %	8.5 %	5.9 %
	<u>Q1 2008</u>	<u>Q2 2008</u>	<u>H1 2008</u>
Revenues (recurring)	162.5	177.4	339.9
Expenses (recurring)	<u>151.3</u>	<u>158.6</u>	<u>310.0</u>
EBITA (recurring)	11.2	18.8	30.0
EBITA margin (recurring)	6.9 %	10.6 %	8.8 %

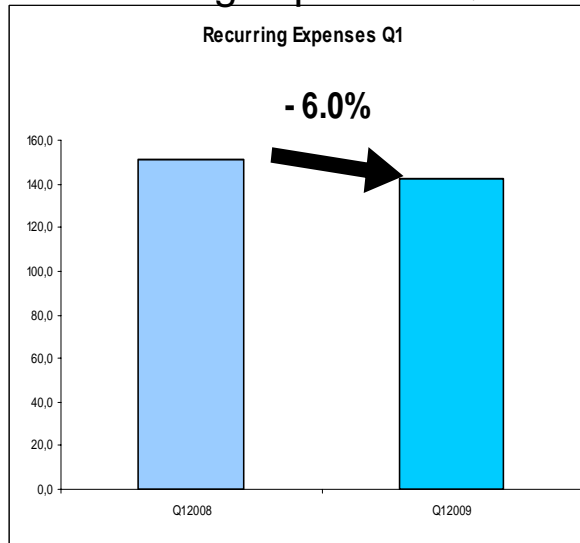


Headlines – continued operations

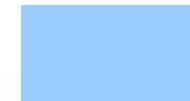
Recurring revenues Q1



Recurring expenses Q1



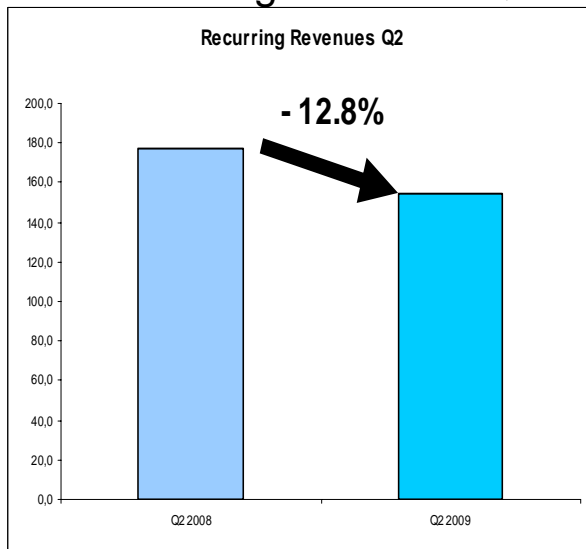
2008:



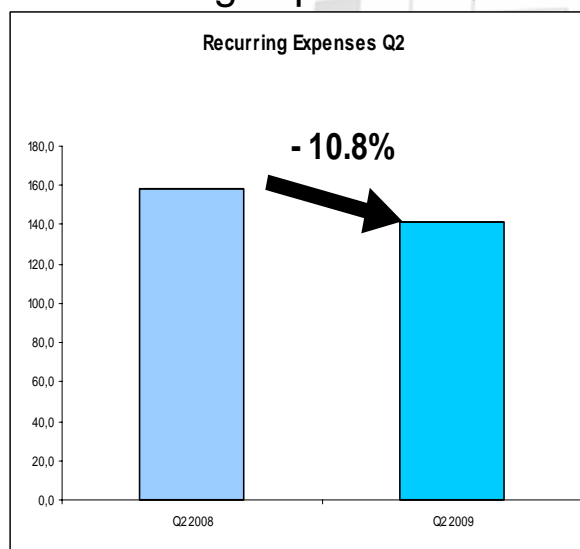
2009:



Recurring revenues Q2



Recurring expenses Q2



Continued and discontinued operations

(amounts in millions of euro)



Recurring	Total operations		Discontinued operations		Continued operations	
	<u>H1 2009</u>	<u>H1 2008</u>	<u>H1 2009</u>	<u>H1 2008</u>	<u>H1 2009</u>	<u>H1 2008</u>
Revenues	305,9	360,0	4,4	20,1	301,5	339,9
Expenses ¹⁾	291,1	333,8	7,4	23,9	283,7	309,9
EBITA	14,8	26,2	-3,0	-3,8	17,8	30,0
EBITA-margin	4,9%	7,3%			5,9%	8,8%

1) Excluding amortisation and impairment loss

EBITA reported and recurring - continued operations



* € 1.000

	<u>H1 2009</u>		<u>H1 2008</u>	
	<u>Reported</u>	<u>Recurring</u>	<u>Recurring</u>	<u>Reported</u>
Revenues	301,522	301,522	339,942	339,942
Other operating income	1,437			1,704
Total income	<u>302,959</u>	<u>301,522</u>	<u>339,942</u>	<u>341,646</u>
Total operating expenses excl. amortisation and impairment loss	<u>284,133</u>	<u>283,718</u>	<u>309,914</u>	<u>315,627</u>
EBITA	18,826	17,804	30,028	26,019
EBITA margin		5.9%	8.8%	
Amortisation intangible assets ¹⁾	19,103	19,103	18,593	18,593
Impairment loss of intangible assets	1,511			550
Amortisation and impairment loss	<u>20,614</u>	<u>19,103</u>	<u>18,593</u>	<u>19,143</u>
EBIT	-1,788	-1,299	11,435	6,876

¹⁾ Including amortisation license costs Sky Radio (cash out) 4.929.

Reported EBITA versus recurring EBITA



*€ 1.000

	<u>H1 2009</u>	<u>H1 2008</u>	Delta
Reported EBITA	18.826	26.019	-7.193
Other operating income (book profits)	-1.437	-1.704	
Restructuring costs	180	6.727	
Other operating profits	-1.067	-1.014	
Other operating expenses	1.302	-	
Total normalisations	-1.022	4.009	-5.031
Recurring EBITA	17.804	30.028	-12.224

Recurring revenues per segment - continued operations

(amounts in millions of euro)



Recurring	Revenues		Expenses		EBITA	
	<u>H1 2009</u>	<u>H1 2008</u>	<u>H1 2009</u>	<u>H1 2008</u>	<u>H1 2009</u>	<u>H1 2008</u>
Telegraaf Media Nederland	242,9	270,3	225,0	239,9	17,9	30,4
Sky Radio Group	20,5	24,1	12,7	12,9	7,8	11,2
Keesing Media Group	24,3	22,7	19,4	18,5	4,9	4,2
Other (distribution / printing etc.)	13,8	22,8	20,0	30,7	-6,2	-7,9
Unallocated			6,5	7,9	-6,5	-7,9
Total	301,5	339,9	283,6	309,9	17,9	30,0



Revenue development per segment – continued operations

(amounts in millions of euro)

2009	<u>Telegraaf Media Nederland</u>	<u>Sky Radio Group</u>	<u>Keesing Media Group</u>	<u>Total</u>
Advertisements	117.7	18.9	0.1	136.7
Circulation	116.4	0.0	20.9	137.3
Other income	8.8	1.6	3.3	13.7
Total revenues	242.9	20.5	24.3	287.7
2008	<u>Telegraaf Media Nederland</u>	<u>Sky Radio Group</u>	<u>Keesing Media Group</u>	<u>Total</u>
Advertisements	146.3	22.4	0.1	168.8
Circulation	114.5	0.0	21.0	135.5
Other income	9.5	1.7	1.6	12.8
Total revenues	270.3	24.1	22.7	317.1

Telegraaf Media Nederland - Revenue Continued Operations



2009	<u>News- papers</u>	<u>Door-to- Door</u>	<u>Magazines</u>	<u>Internet</u>	<u>Other</u>	<u>Total</u>
Advertisements	73.1	26.7	3.7	14.2	0.0	117.7
Circulation	108.9	0.0	7.5	0.0	0.0	116.4
Other income	3.0	0.0	1.5	1.0	3.3	8.8
Total revenues	185.0	26.7	12.7	15.2	3.3	242.9
2008	<u>Newspapers</u>	<u>Door-to-Door</u>	<u>Magazines</u>	<u>Internet</u>	<u>Other</u>	<u>Total</u>
Advertisements	99.0	28.9	4.7	13.7	0.0	146.3
Circulation	106.7	0.0	7.8	0.0	0.0	114.5
Other income	1.6	0.0	0.6	2.9	4.4	9.5
Total revenues	207.3	28.9	13.1	16.6	4.4	270.3

Sky Radio Group - Revenue Continued Operations



2009	<u>Radio</u>	<u>Internet</u>	<u>Total</u>
Advertisements	18,4	0,5	18,9
Circulation	0	0	0,0
Other income	1,6	0	1,6
Total revenues	20	0,5	20,5

2008	<u>Radio</u>	<u>Internet</u>	<u>Total</u>
Advertisements	21,9	0,5	22,4
Circulation	0	0	0,0
Other income	1,7	0	1,7
Total revenues	23,6	0,5	24,1

Keesing Media Group - Revenue Continued Operations



2009	<u>Puzzles</u>	<u>Internet</u>	<u>Total</u>
Advertisements	0,1	0	0,1
Circulation	20,9	0	20,9
Other income	1,6	1,7	3,3
Total revenues	<u>22,6</u>	<u>1,7</u>	<u>24,3</u>

2008	<u>Puzzles</u>	<u>Internet</u>	<u>Total</u>
Advertisements	0,1	0	0,1
Circulation	21	0	21,0
Other income	1,3	0,3	1,6
Total revenues	<u>22,4</u>	<u>0,3</u>	<u>22,7</u>

Internet revenues - continued operations

(amounts in millions of euro)



	<u>H1 2009</u>	<u>H1 2008</u>	<u>Delta</u>
Classified	1.2	2.9	1.7-
Buttons en Banners	5.7	5.4	0.3
Other	3.1	2.4	0.7
Total BtoB	10.0	10.7	0.7-
Classified	0.3	0.7	0.4-
Social communities	4.9	5.7	0.8-
Other (games)	2.3	-	2.3
Total BtoC	7.5	6.4	1.1
Total internet revenues	17.5	17.1	0.4
<i>of which:</i>			
Telegraaf Media Nederland	15.2	16.6	1.4-
Sky Radio Group	0.5	0.5	0.1
Keesing Media Group	1.7	-	1.7

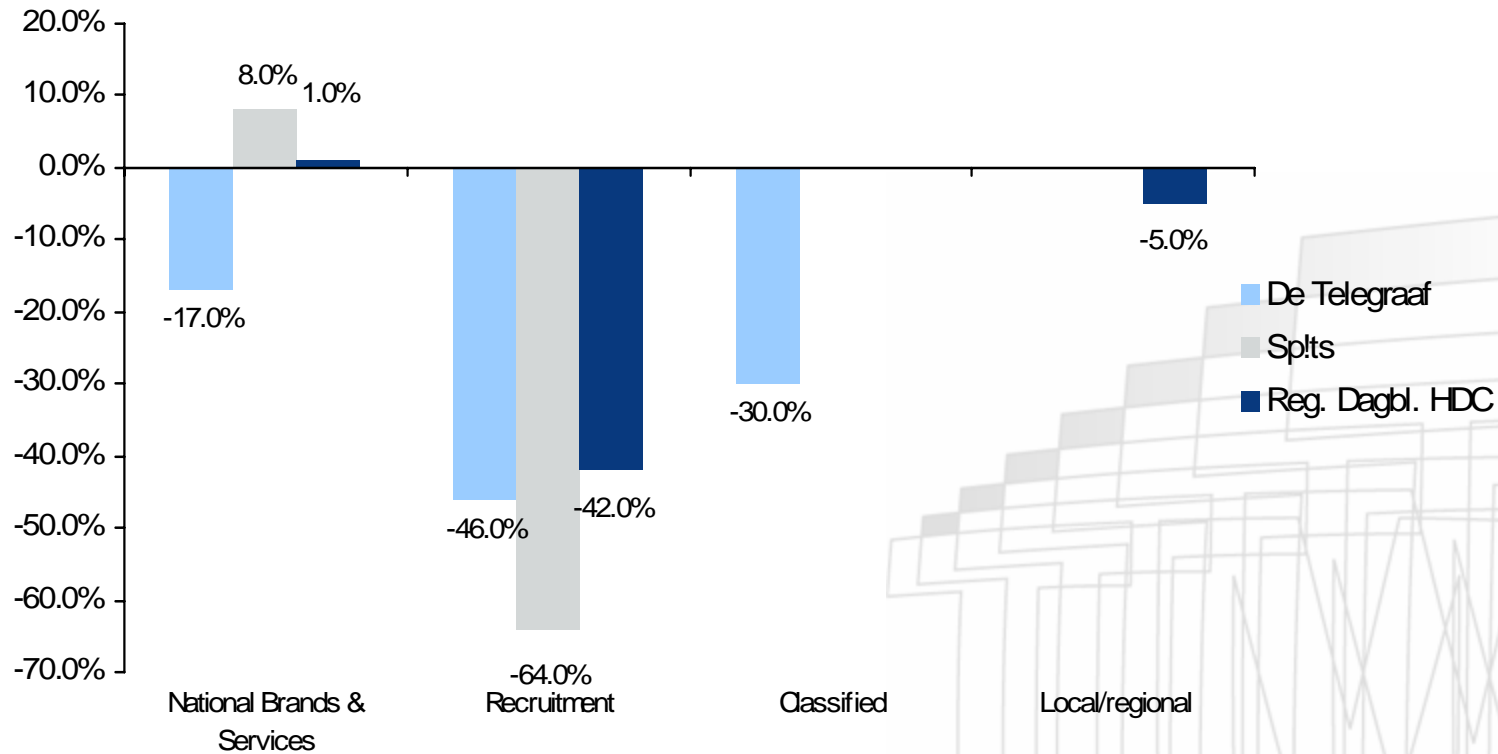
Revenue development - continued operations

(amounts in millions of euro)



	<u>H1 2009</u>	<u>H1 2008</u>	<u>Delta</u>
Advertisements	136,7	168,8	32,1-
Circulation	137,3	135,5	1,8
Production	2,0	3,3	1,3-
Distribution	8,6	15,9	7,3-
Other income	16,9	16,4	0,5
Other	27,5	35,5	8,0-
Revenues	301,5	339,9	38,4-

Volume advertisement index H1 2009 - H1 2008



Realisation of planned €40M - €50M cost reduction / margin improvement



	<u>Planned</u>				<u>Realisation</u>
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>Cum. 2010</u>	<u>Cum. H1 09</u>
<i>* € million</i>					
Restructuring/personnel cost	-5,0	-20,0	-10,0	-35,0	-11,4
Portfolio changes	PM	-11,0	0,0	-11,0	-7,6
Outsourcing non-core activities	0,0	PM	PM	PM	PM
Total	-5,0	-31,0	-10,0	-46,0	-19,0
<i>Fte's</i>					
Fte reduction	-130	-295	-75	-500	-334
Outsourcing distribution activities	0	-100		-100	-100
Portfolio changes - discontinued	0	PM	PM	PM	-289
Total FTE reduction programmes	-130	-395	-75	-600	-723
Portfolio changes - acquisitions					84
Total FTE reduction since June 2008					-639

Headcount - total operations



FTE's	<u>30-6-2008</u>	<u>31-12-2008</u>	<u>30-6-2009</u>	<u>30-6-2008</u>	<u>31-12-2008</u>
TMnl	2.257	2.199	1.910	-347 ¹⁾	-290
Sky Radio Group	112	117	112	0	-5
Keesing Media Group	196	204	222	25	18
International	204	122	0	-204	-122
Other	909	884	713	-197	-171
Total operations	3.678	3.525	2.956	-723	-569
Acquired (2008)			84		
Autonomous			3.040		

¹⁾ Excluding acquisitions

Financial income and expenses - continued operations

(amounts in millions of euro)



	<u>H1 2009</u>	<u>H1 2008</u>
Result on sale of associates	-1.1	-0.9
Share in result from associates	2.6	-0.1
Result from associates	1.5	-1.0
Interest income	0.6	10.4
Financial income	0.6	10.4
Interest expenses	-1.3	-1.5
Impairment loss financial instrument	0.0	-185.0
Financial expenses	-1.3	-186.6
Financial income and expenses	0.8	-177.2

Valuation associated company ProSiebenSat.1



-Carrying value as at 31 December 2008	72,1
-Share of result associated company	<u>2,6</u>
-Carrying value as at 30 June 2009	74,7
-Number of ordinary shares with voting rights	13.127.832
-Carrying value TMG per share as at 30 June 2009	5,69
-Price preferent shares as at 30 June 2009	3,92
-Price preferent shares as at 13 August 2009	6.16

Statement of cash flows - total operations



* € 1.000

	H1 2009	H1 2008
Cash flow from result (incl. adjustments)	23.218	33.117
Change in balance sheet	-38.560	-23.046
Received interest and taxes	6.418	7.213
Net cash from operating activities	- 8.924	+ 17.284
Interest received	0	8.228
Acquisitions/Disposals	-1.166	-25.076
Net investments/divestments	7.324	-6.594
Net cash from investing activities	+ 6.158	- 23.442
Change in (non-current) borrowings	-3.418	-2.804
Dividends paid	-16.713	-47.747
Repurchase of own shares	0	-47.030
Adjustments minority interest	121	-187
Net cash from financing activities	- 20.010	- 97.768
Exchange rate differences	0	102
Change in cash	- 22.776	- 104.028
Of which change in cash assets held for sale	2.507	125

Statement of the Financial Position - assets

as at 30 June



*€ 1.000

	<u>30-6-2009</u>	<u>31-12-2008</u>
Non-current assets	554.348	589.413
of which:		
Intangible assets	398.510	418.037
Property, plant and equipment	67.873	85.803
Other non-current assets	<u>87.965</u>	<u>85.573</u>
Current assets	137.571	172.603
of which:		
Cash	13.323	33.592
Other current assets	<u>124.248</u>	<u>139.011</u>
Total Assets	<u>691.919</u>	<u>762.016</u>

Statement of the Financial Position - equity and liabilities

as at 30 June

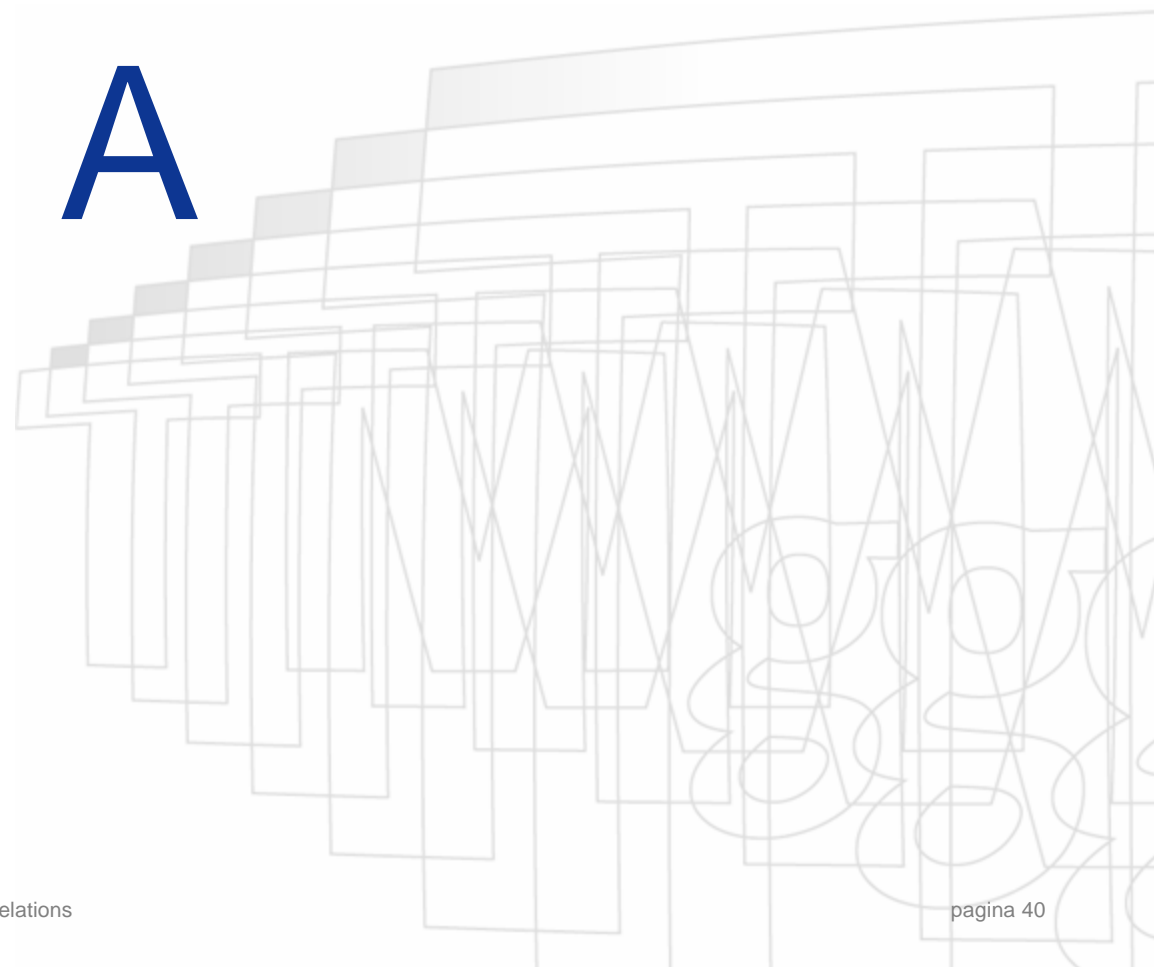


*€ 1.000

	<u>30-6-2009</u>	<u>31-12-2008</u>
Shareholders' equity	397.706	411.576
Share third parties	2.370	3.269
Total shareholders' equity	400.076	414.845
Interest-bearing loans and borrowings	25.185	27.242
Provisions	58.745	73.997
of which:		
Post-employment benefit liabilities	24.006	29.377
Restructuring provision	4.753	12.356
Deferred tax liabilities	29.986	32.264
Current liabilities	207.913	245.932
of which:		
prepaid subscriptions	47.963	53.408
liabilities to suppliers	23.641	32.649
taxes and social premiums	5.074	3.102
current portion of restructuring provision	33.004	41.856
other liabilities	98.231	114.917
Total liabilities	291.843	347.171
Total equity and liabilities	<u>691.919</u>	<u>762.016</u>



Q & A





telegraaf media groep

