



telegraaf media groep





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Jaarresultaat 2008 TMG

13 maart 2009



telegraaf media groep

Hans Elekan
Hoofd Corporate Communication
& Investor Relations

Introductie

Agenda



A.J. Swartjes - CEO

- Belangrijkste financiële zaken
- Strategie
- Kostenverlagingen en reorganisatie
- Vooruitzichten

F. Th. J. Arp - CFO

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 - Kerncijfers
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 - Cashflow
 - Balans
- Analyse resultaten 2008 – voortgezette activiteiten
- ProSiebenSat.1 Media AG

Q&A



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A. J. Swartjes - CEO



Belangrijkste financiële zaken 2008

- Ondanks verslechterende economie is het genormaliseerde EBITA-resultaat toegenomen;
2008: € 62,4 miljoen (2007: € 61,8 miljoen)
marge 2008: 9,1% (2007: 8,8%)
- 'Genormaliseerd EBITA-resultaat inclusief resultaten van de beëindigde c.q. voor verkoop bestemde activiteiten' is afgenomen;
2008: € 51,8 miljoen (2007: € 53,3 miljoen)
marge 2008: 7,2% (2007: 7,2%)
- Vooral door reorganisatielasten en impairments op belangen in ProSiebenSat.1 Media AG en Expomedia Group Plc
in 2008: nettoverlies van € 360,8 miljoen

Vooral door verkoop van de belangen in SBS en Wegener
in 2007: nettowinst van € 399,3 miljoen

Strategie (1) en Financiën



TMG heeft in 2008 flinke vooruitgang geboekt op het gebied van:

- kostenreducties,
- afstoten van niet-kernactiviteiten,
- behalen van synergie
- eenwording
- aanpassing van de multimediale portfolio door acquisities en desinvesteringen

maar....

de economische ontwikkelingen hebben de financiële effecten hiervan voor een belangrijk deel weer geneutraliseerd

Strategie (2) en Organisatie



- TMG-organisatie bestaat inmiddels uit drie mediabedrijven: Telegraaf Media Nederland, Sky Radio Group en Keesing Media Group plus drie operationele bedrijven, een groepsstaf en deelnemingen:



Strategie (3) en de voortgang in praktijk



TMnl

- Optimalisatie: o.m. start van een Financial Shared Service Center
- Portfolioaanpassingen: o.m. start van De Echo in Rotterdam, acquisitie van belang in Webregio.nl en GeenStijl
- Desinvesteringen: o.m. aankondiging en realisatie van verkoop van een aantal tijdschriften in Nederland
- Eenwording en synergie: o.m. samenwerking van HDC Media en Holland Combinatie in 't Gooi

Sky Radio Group

- strategische eerste stappen voor wat betreft digitale radiokanalen: o.m. 'Sky Radio Lovesongs' en 'Radio Veronica Top 1000 Aller Tijden'

Keesing Media Group

- Strategische eerste stappen in digitale games: o.m. acquisitie van zigiz.com

Strategie (4) en de voortgang in praktijk



Operationele bedrijven

- Strategiewijziging distributiebedrijf naar uitsluitend dagbladbezorging krijgt verder vorm
- Toename van efficiency en optimalisatie van perscapaciteit bij drukkerijen. In 2008 met één pers minder dezelfde productie gerealiseerd

Buitenland

- Strategiewijziging: pad verlaten van toetreding en groei via tijdschriften gekoppeld aan internetuitgaven. Mede daarom activiteiten in Zweden verkocht en verkoop bedrijfsonderdelen in Oekraïne in een vergevorderd stadium

Deelneming

- ProSiebenSat.1 van strategisch belang vanwege internationale consumptiegroei van het mediumtype en toegang tot televisie in een sterk veranderende mediamarkt.

Kostenverlagingen en reorganisatie



- In 2008 is een belangrijk kostenreductieprogramma gestart
- Onderdeel daarvan is personeelsreductie van bijna 500 FTE
Status:
 - Medezeggenschapsorganen hebben plannen op hoofdlijnen goedgekeurd. Groot aantal deelplannen zijn ingediend.
 - Met vakbonden is een principeakkoord bereikt over een Sociaal Plan 2009 - 2010.
- Ultimo 2008 is het aantal voltijdbanen met 130 gereduceerd. Eind 2009 moet de reductie cumulatief 425 voltijdbanen bedragen. De resterende reductie van 75 voltijdbanen zal in 2010 plaatsvinden.
- In deze aantallen zijn niet begrepen personeelsaantallen van 'assets held for sale' en 100 voltijdbanen die in 2009 vervallen door inkrimping bij het distributiebedrijf

Vooruitzichten (1)

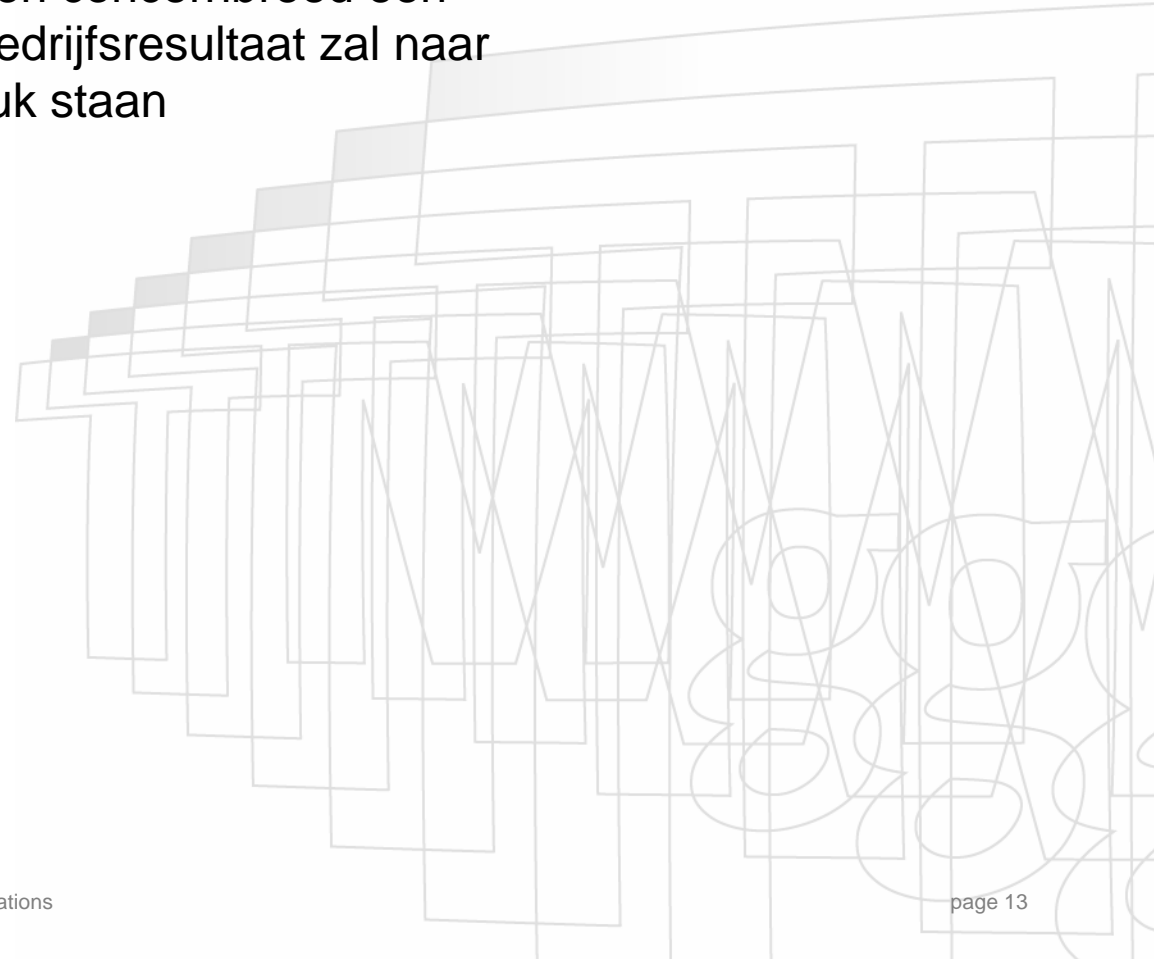


- Meer dan ooit onverantwoord om onder de huidige economische omstandigheden een voorspelling van het resultaat te doen
- Factoren invloed op de ontwikkeling van het bedrijfsresultaat:
 - Oplageomzet van ‘voortgezette activiteiten’ zal zich naar verwachting positief ontwikkelen, vooral dankzij prijsverhogingen.
 - Advertentie-omzet bij de print- en radioactiviteiten zal als gevolg van de recessie naar verwachting belangrijk lager uitkomen. Wel wordt een verdere toename verwacht van de omzet van de digitale activiteiten.
 - Aan de kostenkant zullen de effecten van de aangekondigde reorganisatiemaatregelen in de loop van het jaar steeds meer effect krijgen, evenals de voorgenomen outsourcing van een aantal niet-kernactiviteiten.
Daartegenover staat het doorwerken van de CAO-verhogingen in 2008 en in 2009 en de papierprijsstijgingen.
- Van invloed op de ontwikkeling van het **netto**resultaat in 2009 zijn verder onder meer lagere financiële baten in verband met de investering in ProSiebenSat.1, lagere reorganisatielasten en het positieve effect van afgestoten activiteiten.

Vooruitzichten (2)



- De laatste gegevens over de verslechtering van de economie duiden op een daling die zich niet meer heeft voorgedaan sinds de jaren dertig van de vorige eeuw
- De eerste twee maanden van 2009 laten concernbreed een belangrijke daling in omzet zien. Het bedrijfsresultaat zal naar verwachting in 2009 dan ook onder druk staan



Vooruitzichten (3)



TMG:

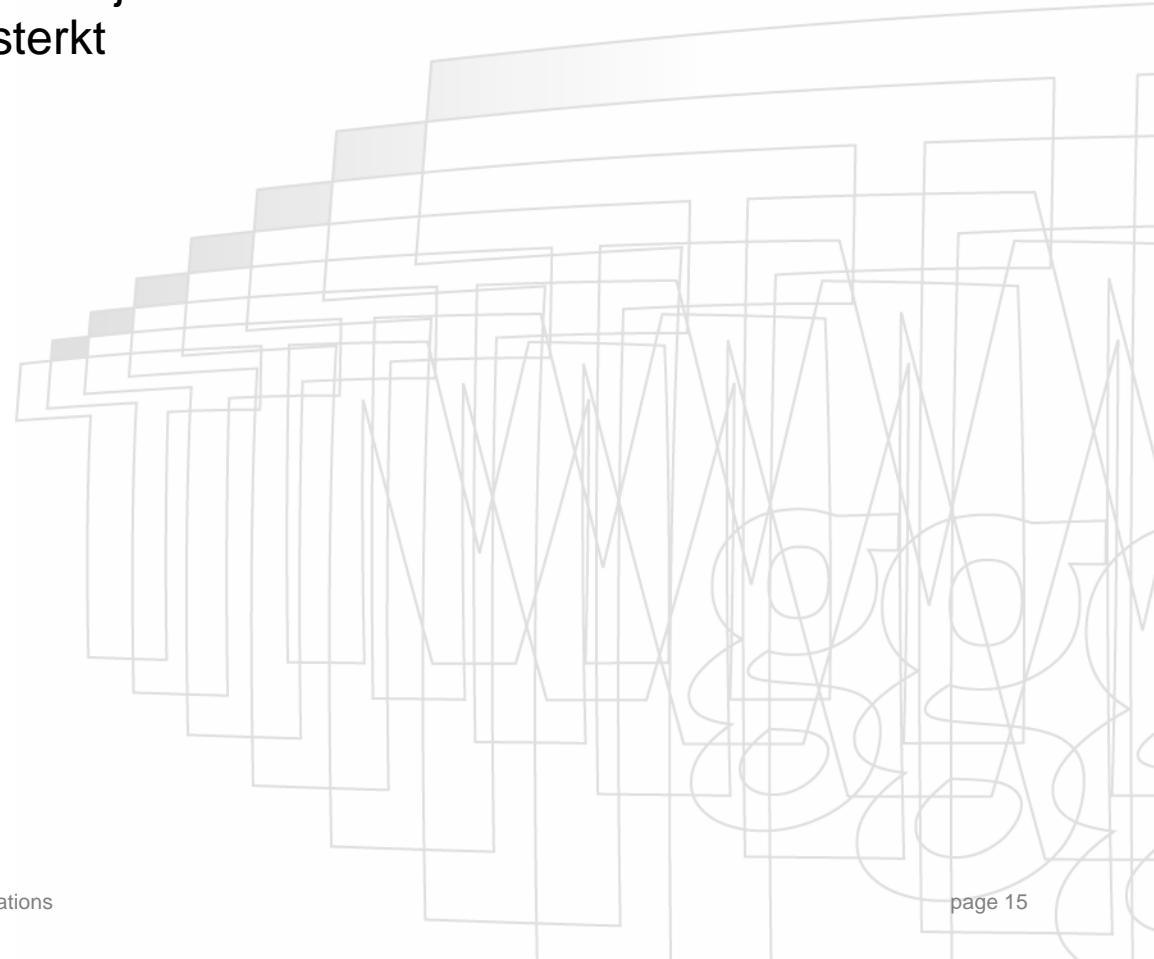
- nagenoeg schuldenvrij
- heeft leidende marktposities met grote merken; onder meer
 - Dagblad De Telegraaf,
 - Sky Radio,
 - Denksport;met perspectief op groei, ook in digitale markten.



Vooruitzichten (4)



- TMG houdt vast aan de groeidoelstelling maar **primaire focus ligt nu meer op versterking van marktposities**
- TMG heeft alle vertrouwen dat de komende jaren de totale positie verder zal worden versterkt





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F. Th. J. Arp - CFO



I General information

- Headlines
- Income statement
- Statement of cash flows
- Balance sheet

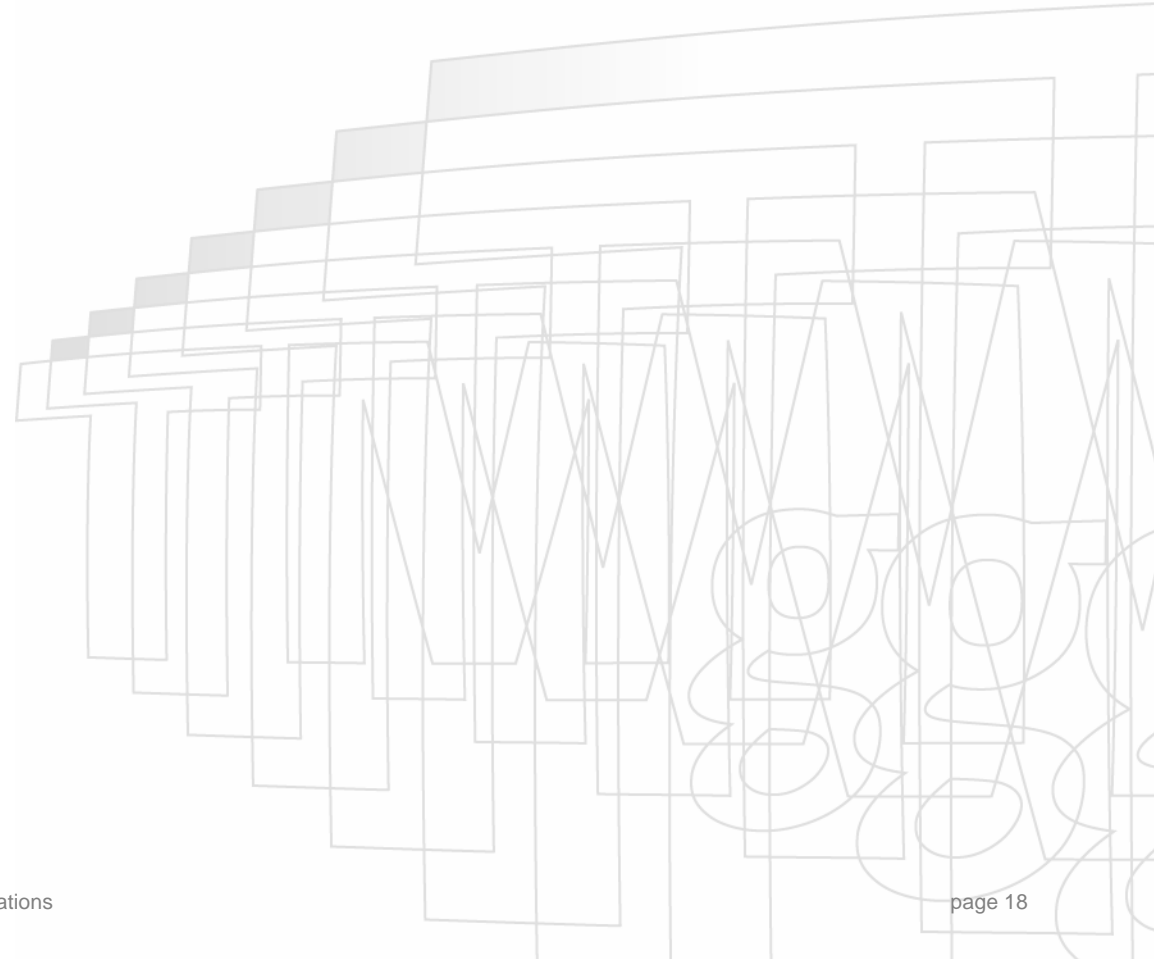
II Analysis result 2008 - continued operations

III ProSiebenSat.1

I General information



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TMG financial statements 2008



- The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted and authorized by the European Commission
- The presentation of the income statement is on continued operations, comparative financial figures 2007 have been reclassified

Headlines continued operations

(amounts in millions of euros)



	<u>2008</u>	<u>2007</u>
Revenues (recurring)	684.2	700.1
Ebita (recurring)	62.4	61.8
Ebita margin (recurring)	9.1 %	8.8 %
Financial incomes and expenses	-314.3	421.8
Net result *)	-360.0	400.1
Dividend proposal	0.35	1.00

*) attributable to Shareholders of TMG

Continued and discontinued operations



Recurring 2008

* € 1.000

	<u>Revenues</u>	<u>Expenses *)</u>	<u>Ebita</u>	<u>Ebita- margin</u>
Total operations	721,748	669,974	51,774	7.2%
Discontinued operations	<u>37,544</u>	<u>48,157</u>	<u>-10,613</u>	
Continued operations	684,204	621,817	62,387	9.1%

*) Excluding amortisation and impairment loss

Income statement – continued operations



* € 1.000

	<u>2008</u>	<u>2007</u>
Total income	688,072	702,560
Total operating expenses excl. amortisation and impairment loss	676,219	670,594
EBITA	11,853	31,966
Total normalisations	50,534	29,799
Recurring EBITA	62,387	61,765
As % of sales	9.1%	8.8%
Amortisation and impairment loss	48,896	50,349
EBIT	-37,043	-18,383
Financial income and expenses	-314,271	421,843
Result before tax	-351,314	403,460
Tax on result	-10,190	-6,160
Result after tax before gain on discontinued operations	-341,124	409,620
Gain on sale of discontinued operation, net of tax	-19,641	-10,336
Result for the year	-360,765	399,284
Minority interest	777	813
Result attributable to Shareholders of TMG	-359,988	400,097

Statement of cash flows



* € 1.000

	<u>2008</u>	<u>2007</u>
Net cash from operating activities	+ 64,962	+ 62,130
Acquisitions/Disposals	-407,298	569,658
Net investments/divestments	<u>-10,545</u>	<u>21,938</u>
Net cash from investing activities	- 417,843	+ 591,596
Change in (non-current) borrowings	-14,424	-192,363
Dividends paid	-47,750	-25,000
Repurchase of own shares	-47,030	-6,164
Adjustments minority interest	<u>-165</u>	<u>0</u>
Net cash from financing activities	- 109,369	- 223,527
Change in cash	<u>- 462,250</u>	<u>+ 430,199</u>

Balance sheet – assets

as at 31 December



* € 1.000

	<u>2008</u>	<u>2007</u>
Non-current assets	589,413	571,677
of which:		
Intangible assets	418,037	429,603
Property, plant and equipment	85,803	112,155
Other non-current assets	85,573	29,919
Current assets	172,603	661,534
of which:		
Cash	33,592	496,025
Other current assets	139,011	165,509
Total Assets	<u>762,016</u>	<u>1,233,211</u>

Balance sheet – equity and liabilities

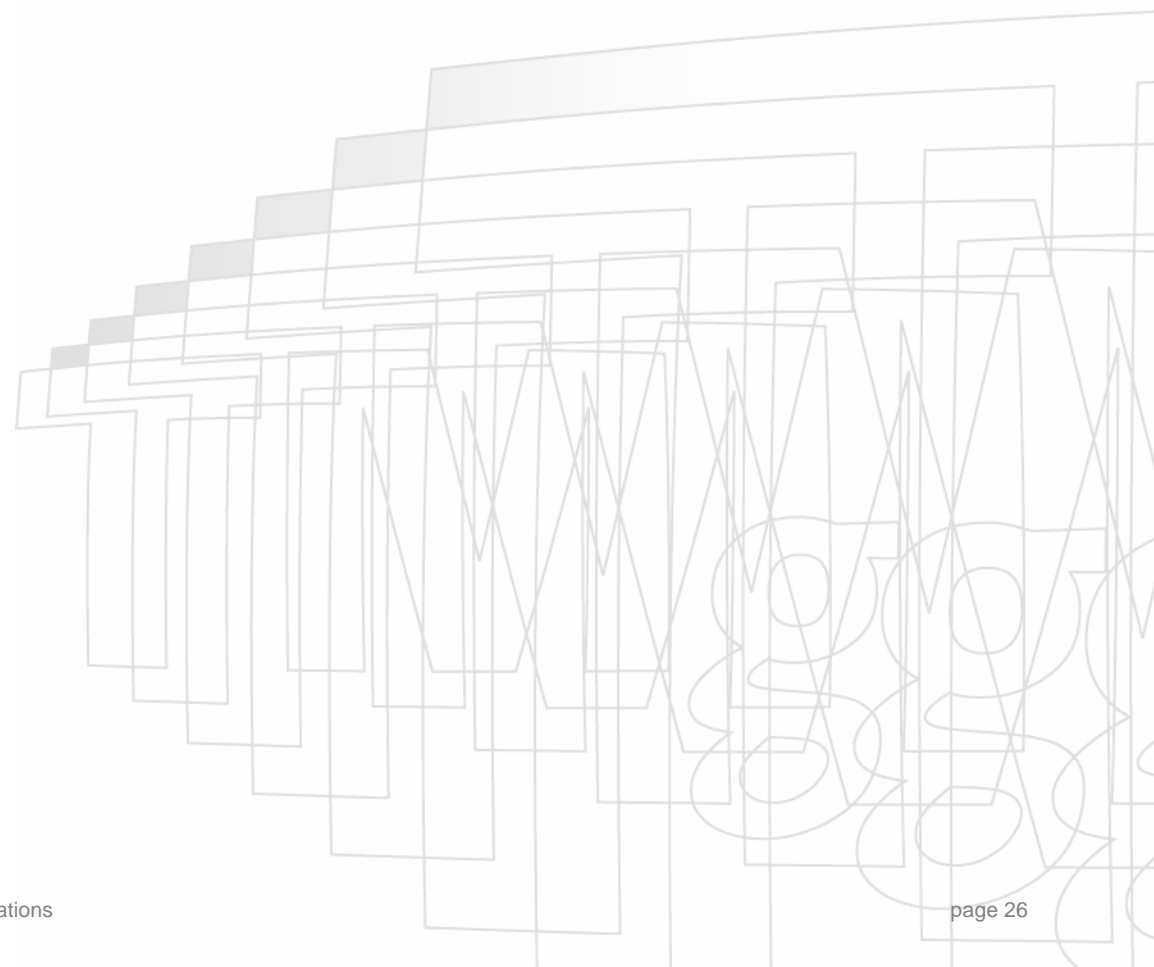
as at 31 December



* € 1.000

	<u>2008</u>	<u>2007</u>
Shareholders' equity	414,845	870,836
Interest-bearing loans and borrowings	27,242	38,074
of which:		
Interest bearing loans	10,294	10,946
Acquisition payables	6,236	6,375
Other financing	10,712	20,753
Provisions	73,997	73,777
of which:		
Post-employment benefit liabilities	29,377	29,684
Restructuring provision	12,356	10,201
Deferred tax liabilities	32,264	33,892
Current liabilities	245,932	250,524
of which:		
Interest-bearing loans and borrowings	15,847	21,760
Restructuring provision	41,856	13,205
Other current liabilities	188,229	215,559
Total liabilities	347,171	362,375
Total equity and liabilities	<u>762,016</u>	<u>1,233,211</u>

II Analysis result 2008 – continued operations



Ebita: reported and recurring



* € 1.000

	2008		2007	
	Reported	Recurring	Recurring	Reported
Revenues	684,204	684,204	700,061	700,061
Other operating income	3,868			2,499
Total income	688,072	684,204	700,061	702,560
Total operating expenses excl. amortisation and impairment loss	676,219	621,817	638,296	670,594
EBITA	11,853	62,387	61,765	31,966
EBITA margin		9.1%	8.8%	
Amortisation intangible assets*)	38,626	38,626	37,398	37,398
Impairment loss of intangible assets	10,270			12,951
Amortisation and impairment loss	48,896	38,626	37,398	50,349
EBIT	-37,043	23,761	24,367	-18,383
*) Including amortisation license costs SRG (cash out)		9,857	9,857	

Reported Ebita versus recurring Ebita



* € 1.000

	<u>2008</u>	<u>2007</u>	<u>Delta</u>
Reported EBITA	11,853	31,966	-20,113
Other operating income (book profits)	-3,868	-2,499	-1,369
Restructuring costs	52,293	11,903	40,390
Other personnel expenses*)	0	15,700	-15,700
Other operating expenses	2,109	4,695	-2,586
Total normalisations	<u>50,534</u>	<u>29,799</u>	<u>20,735</u>
Recurring EBITA	<u><u>62,387</u></u>	<u><u>61,765</u></u>	<u><u>622</u></u>

*) including profit share employees related to gain on sale Wegener (14,487)

Recurring Ebita changes 2007 – 2008

(amounts in millions of euros)



2008

Inflation

-salary level

-8.0

-energy/fuel/other expenses

-3.0

-11.0

Change revenues and expenses

-decrease advertisements

-26.0

-increase circulation/other

7.0

-decrease distribution/printing 3rd parties

-6.5

-increase other expenses

-2.5

-28.0

-39.0

Total

Total effect measures according to implementation strategy

39.5

(see next page)

Total Recurring Ebita effect

+ 0.5

Measures according to implementation strategy

(amounts in millions of euros)



2008

Cost savings

-staff reduction	11.0
-temporary labour	10.0
-production costs (paper)	4.0
-reduction holding-/advice expenses	2.5
-sales costs	2.0
-depreciation	1.0
-other	4.0

34.5

Portfolio changes

-Acquisitions (Webregio, Nobiles Media, GeenStijl, Pilarczyk, Amsterdams Stadsblad, Zigiz, Himes, Ticketsplus, NWG/JPPU)

0.0

-Divestments (Sky Radio Hessen, EDS, Plus)

5.0

5.0

Total effect measures according to implementation strategy

39.5

Recurring Ebita 2007 / 2008

(amounts in millions of euros)



Recurring	<u>H1 2007</u>	<u>H2 2007</u>	<u>2007</u>	<u>H1 2008</u>	<u>H2 2008</u>	<u>2008</u>
Revenues total	365.1	373.7		360.0	361.7	
Revenues discontinued	18.8	19.9		20.1	17.4	
Revenues continued	346.3	353.8	700.1	339.9	344.3	684.2
Operating expenses *) total	333.3	352.2		333.8	336.1	
Opex discontinued	20.7	26.5		23.9	24.2	
Opex continued	312.6	325.7	638.3	309.9	311.9	621.8
Ebita total	31.8	21.5		26.2	25.6	
Ebita discontinued	-1.9	-6.6		-3.8	-6.8	
Ebita continued	33.7	28.1	61.8	30.0	32.4	62.4
Ebita margin total	8.7%	5.8%		7.3%	7.1%	
Ebita margin continued	9.7%	7.9%	8.8%	8.8%	9.4%	9.1%

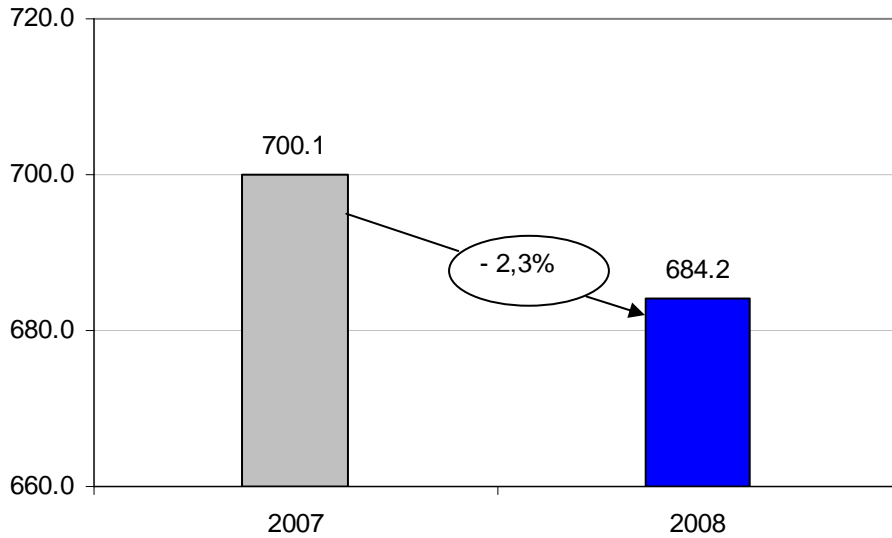
*) Excluding amortisation and impairment loss

Cost saving measures take effect (2008 continued)

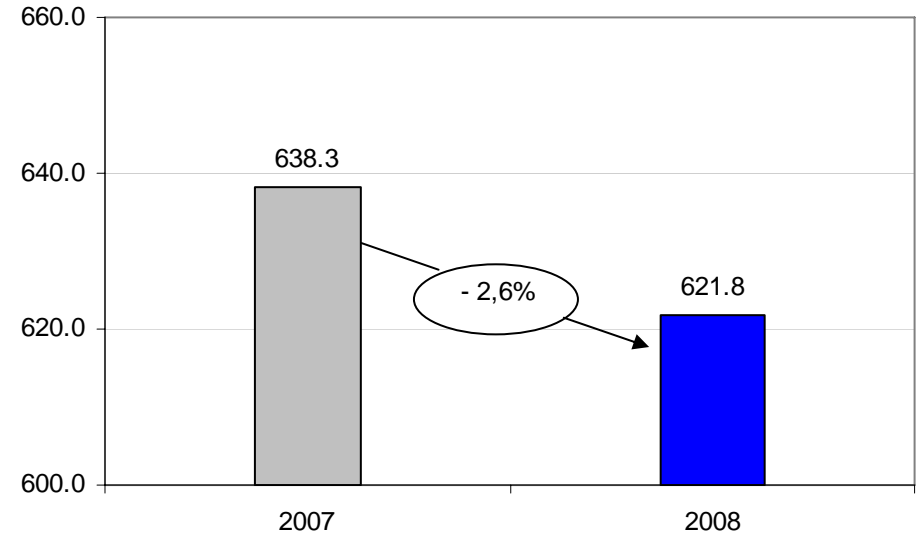
(amounts in millions of euros)



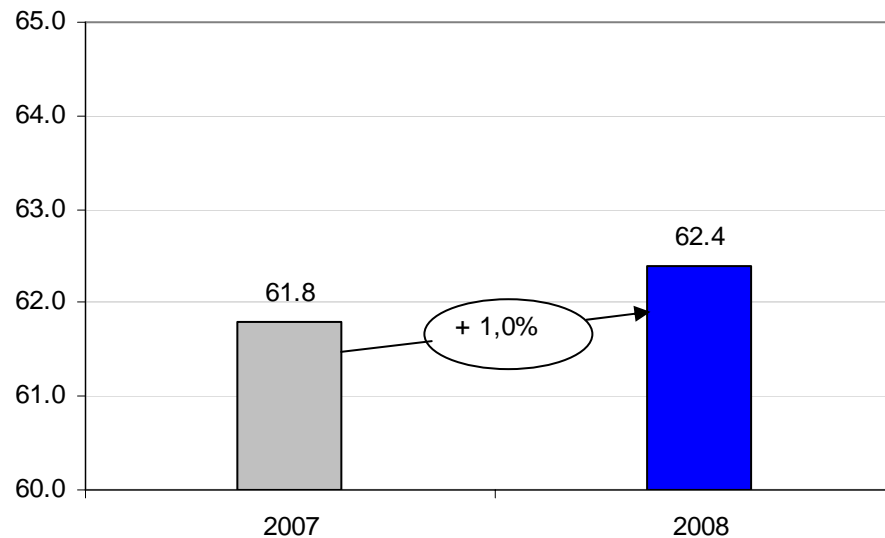
Recurring revenues



Recurring costs (excl. A)



Recurring Ebita

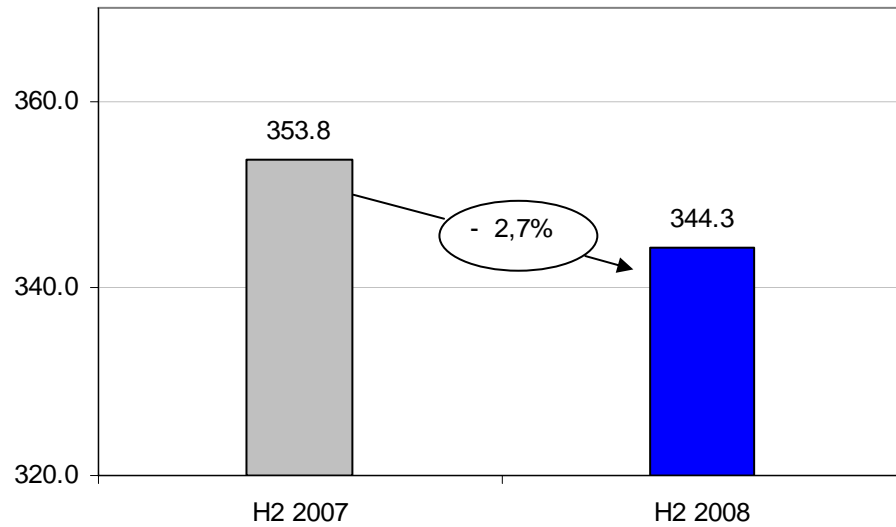


Cost saving measures take effect (H2 2008 continued)

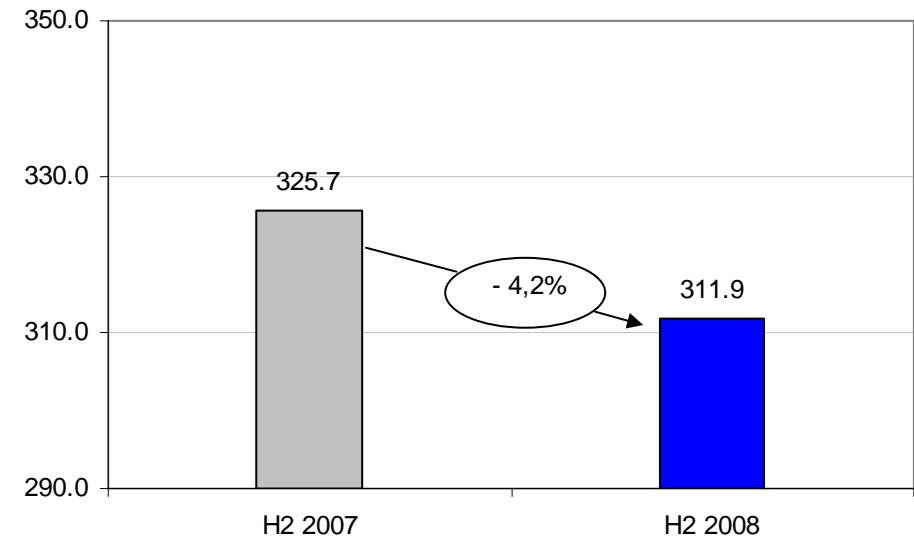
(amounts in millions of euros)



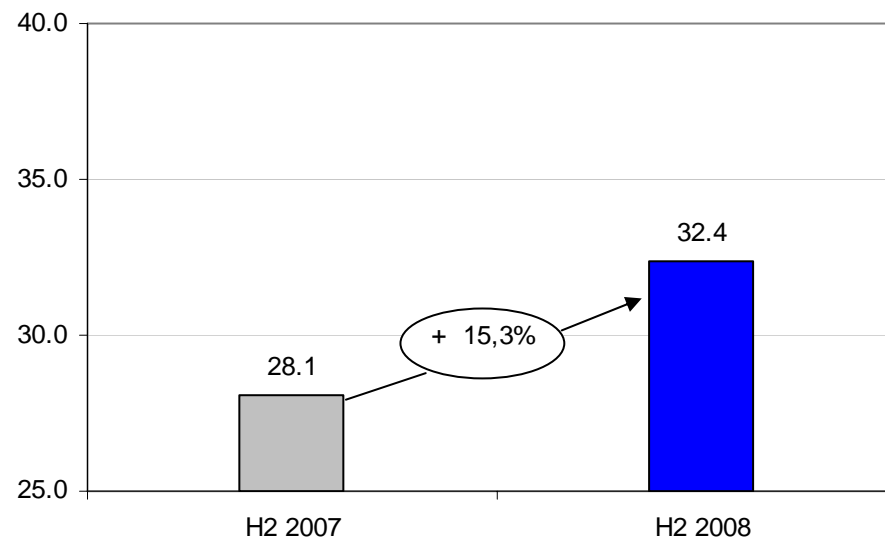
Recurring revenues



Recurring costs (excl. A)



Recurring Ebita



Realization of planned €40M – €50M cost reduction / margin improvement

(amounts in millions of euros)



	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>Cum. 2010</u>
Restructuring/personnel costs	-5.0	-20.0	-10.0	-35.0
Portfolio change	PM	-11.0	0.0	-11.0
Outsourcing non-core activities	<u>0</u>	<u>PM</u>	<u>PM</u>	<u>PM</u>
Total	<u><u>-5.0</u></u>	<u><u>-31.0</u></u>	<u><u>-10.0</u></u>	<u><u>-46.0</u></u>
Fte reduction	-130.0	-295.0	-75.0	-500.0
Outsourcing distribution activities		<u>-100.0</u>		<u>-100.0</u>
Total	<u><u>-130.0</u></u>	<u><u>-395.0</u></u>	<u><u>-75.0</u></u>	<u><u>-600.0</u></u>

Revenue development – continued and autonomous

(amounts in millions of euros)



	<u>2008</u>	<u>2007</u>	<u>Delta</u>
Advertisements	331.8	345.6	-13.8
Circulation	279.5	274.4	5.1
Production	6.2	8.5	-2.3
Distribution	31.9	43.7	-11.8
Other income	34.8	27.9	6.9
Revenues	<u>684.2</u>	<u>700.1</u>	<u>-15.9</u>
Other operating income	3.9	2.5	1.4
Total income	<u><u>688.1</u></u>	<u><u>702.6</u></u>	<u><u>-14.5</u></u>
Print	537.4	551.9	-14.5
Non-print	106.5	94.4	12.1
Other	40.3	53.8	-13.5
Revenues	<u>684.2</u>	<u>700.1</u>	<u>-15.9</u>
Advertisements	318.1	344.3	-26.4
Circulation	279.5	272.1	7.4
Other	66.2	76.2	-10.0
Autonomous revenues*)	<u>663.8</u>	<u>692.6</u>	<u>-28.8</u>

*) excluding divestments and acquisitions 2007/2008

Print revenue – continued (amounts in millions of euros)



	<u>2008</u>	<u>2007</u>	<u>Delta</u>
Newspapers (national/regional)	409.6	423.8	-14.2
Door-to-door	58.0	55.0	3.0
Magazines	22.5	24.0	-1.5
Puzzle magazines	47.3	49.1	-1.8
Total print revenue	<u>537.4</u>	<u>551.9</u>	<u>-14.5</u>

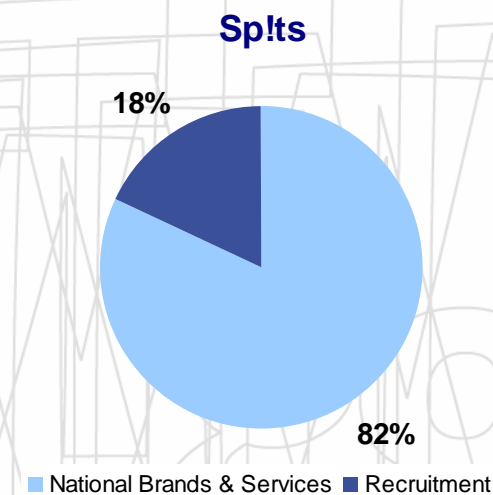
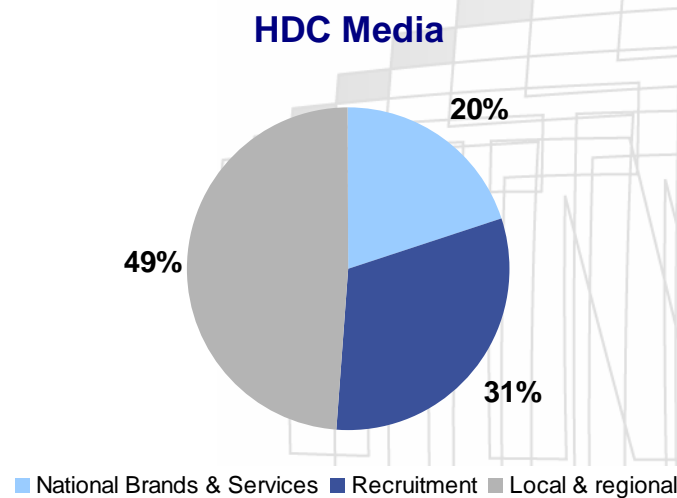
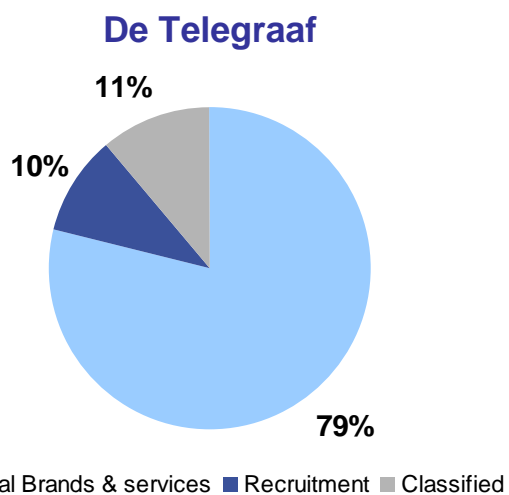
	<u>2008</u>	<u>2007</u>	<u>Delta</u>
Advertisements	184.5	204.4	-19.9
Circulation	217.8	213.6	4.2
Other	7.3	5.8	1.5
Print revenue newspapers	<u>409.6</u>	<u>423.8</u>	<u>-14.2</u>

Print advertisement revenue – continued

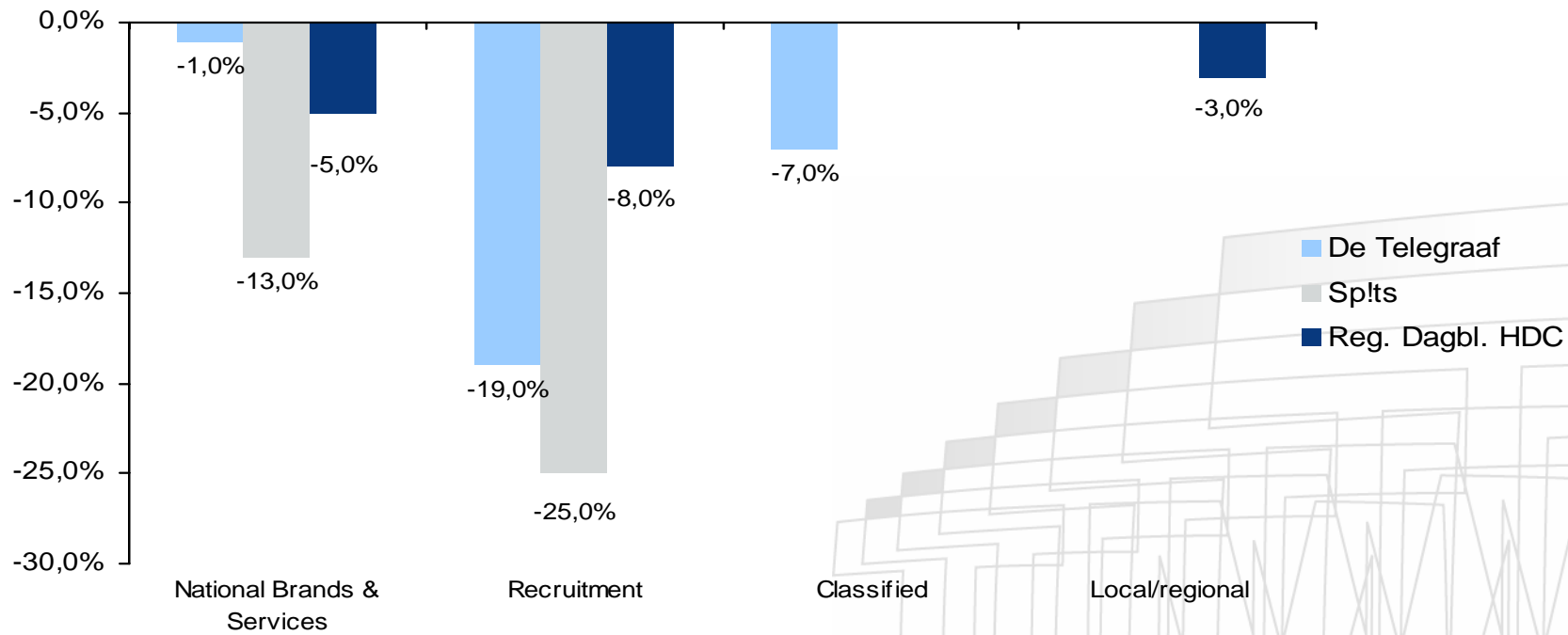
(amounts in millions of euros)



	<u>2008</u>	<u>2007</u>	<u>Delta</u>
National Brands and Services	117.7	123.6	-5.9
Recruitment	29.6	40.3	-10.7
Classified	15.9	18.2	-2.3
Local/regional	21.3	22.3	-1.0
Print advertisements newspapers	<u>184.5</u>	<u>204.4</u>	<u>-19.9</u>



Volume advertisement index 2008 – 2007



Non-print revenue – continued

(amounts in millions of euros)



	<u>2008</u>	<u>2007</u>	<u>Delta</u>
Classified	5.5	6.6	
Buttons en Banners	11.3	9.3	
Other	8.1	3.1	
Total BtoB	<u>24.9</u>	<u>19.0</u>	<u>31.4%</u>
Classified	1.2	0.9	
Social communities	10.6	10.7	
Other	2.7	0.1	
Total BtoC	<u>14.5</u>	<u>11.7</u>	<u>23.8%</u>
Total internet sales	<u>39.4</u>	<u>30.7</u>	<u>28.5%</u>
Other*)	17.0	11.5	47.8%
Radio broadcast	50.1	52.2	-4.1%
Total non-print revenue	<u><u>106.5</u></u>	<u><u>94.4</u></u>	<u><u>12.8%</u></u>

*) TV productions/sms services/exhibitions

Other revenue – continued

(amounts in millions of euros)



	<u>2008</u>	<u>2007</u>	<u>Delta</u>
Distribution third parties	31.9	43.7	-11.8
Printing third parties	6.2	8.5	-2.3
Other	2.2	1.6	0.6
Total other revenue	<u>40.3</u>	<u>53.8</u>	<u>-13.5</u>

Reported and recurring expenses



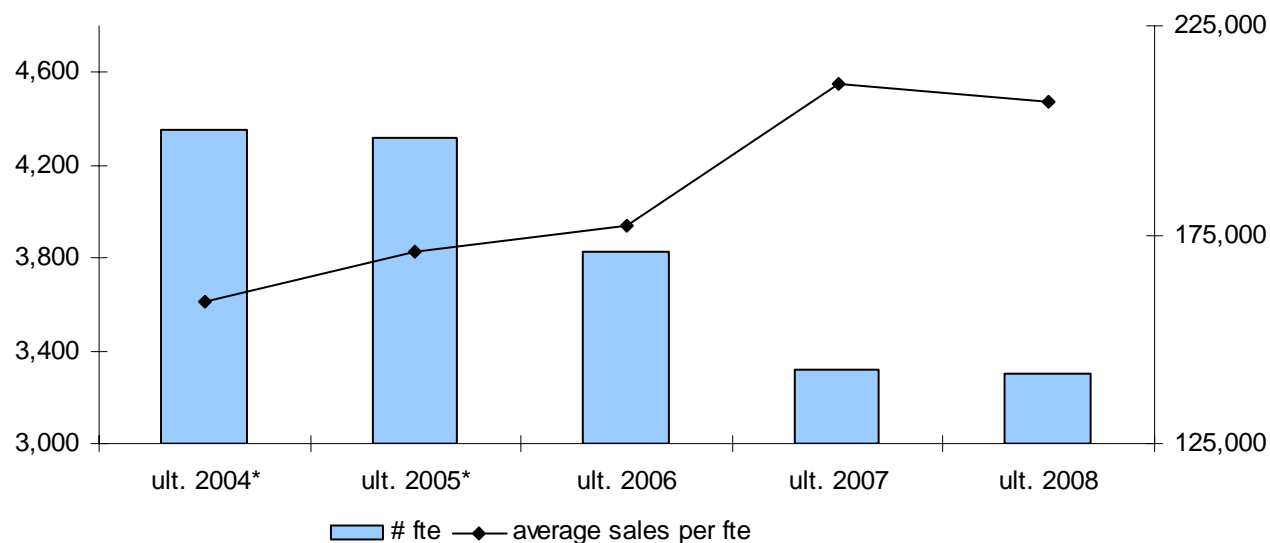
<i>* € 1.000</i>	<u>2008</u>	<u>2007</u>	<u>% 08 vs 07</u>
Recurring CoGS	249,014	252,189	-1.3%
of which:			
Distribution costs	116,220	121,651	-4.5%
other	132,794	130,538	1.7%
Recurring SG & A expenses	351,495	362,949	-3.2%
of which:			
Personnel costs	254,233	263,261	-3.4%
Other SG&A expenses	97,262	99,688	-2.4%
Depreciation	21,308	23,158	-8.0%
Total expenses recurring	621,817	638,296	-2.6%
Total expenses non-recurring	54,402	32,298	68.4%
Amortisation & impairment	48,896	50,349	-2.9%
Reported expenses	725,115	720,943	0.6%

Headcount – continued



FTE's	31-12-2008	31-12-2007	Diff. 31/12/08 vs 31/12/07	30-6-2008	Diff. 31/12/08 vs 30/6/08
TMnl	2079	2028	51 1)	2127	-48
Sky Radio Group	116	116	0	112	4
Keesing Media Group	204	186	18 2)	196	8
TTG Sweden			0		0
TMG Ukraine			0		0
Operating companies (excl TMI)	703	743	-40 3)	717	-14
TMI	90	100	-10	97	-7
Other	87	75	12	86	1
Continued operations	3279	3248	31	3335	-56
Acquired (2007/2008)	251			174	
Autonomous	3028			3161	

- 1) Acquisitions TMnl 07/08 + 235 fte, staff stop -88 fte
- 2) Acquisitions Zigiz and Himes
- 3) H4M -17 fte, TDG -17 fte, TMG D -5 fte



*2004/2005: incl. Limburg activities, incl. discontinued activities 2008

Financial income and expenses

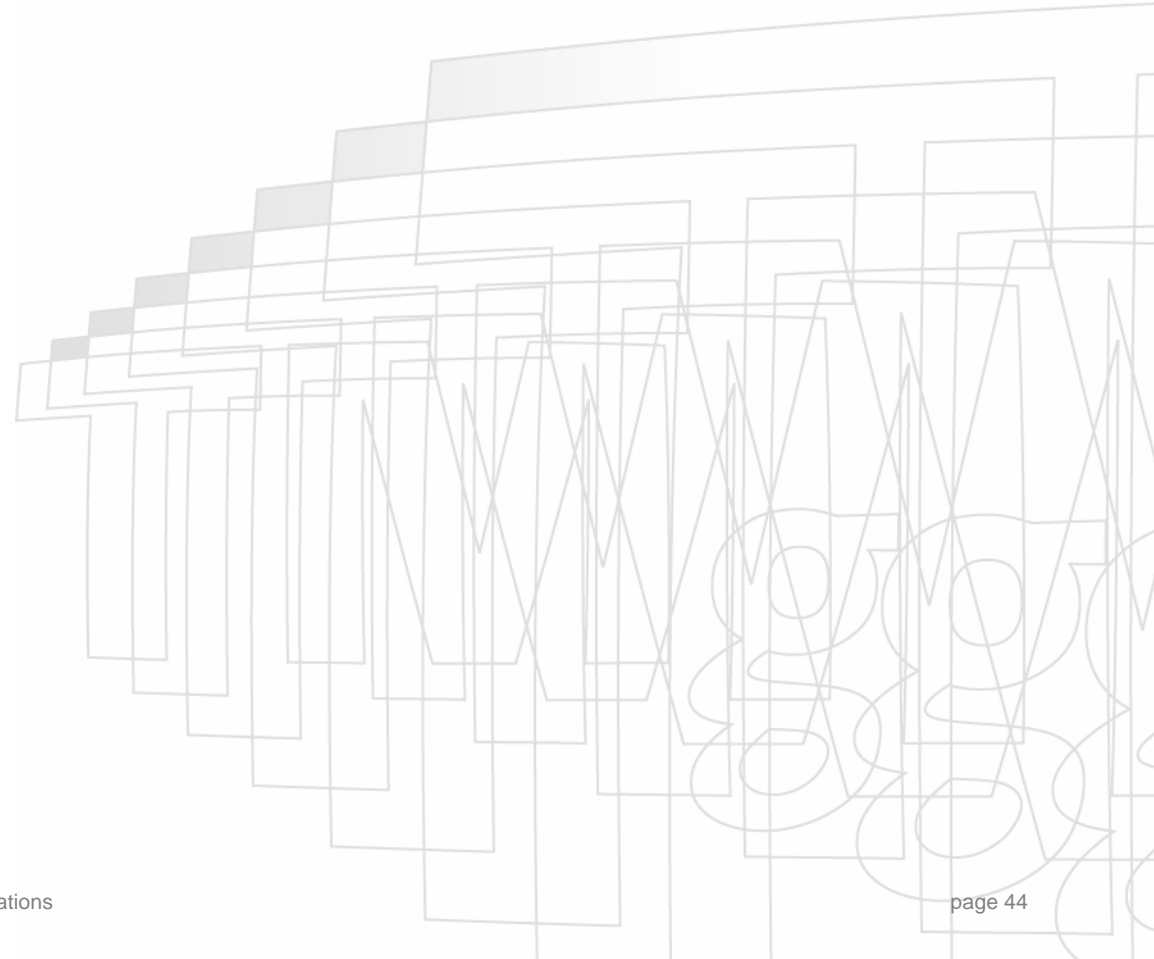
Reported



* € 1.000

	<u>2008</u>	<u>2007</u>
Result on sale of associates	-0.4	354.6
Share in result from associates	-12.4	-2.0
Impairment losses	-118.5	0.0
Result from associates	-131.3	352.6
Interest income	15.7	19.7
Dividend income from other investments	0.0	0.1
Gain on sale of other investments	0.0	57.0
Other financial income	0.0	0.1
Financial income	15.7	76.9
Interest expenses	-3.7	-7.6
Impairment loss financial instrument	-195.0	0.0
Financial expenses	-198.7	-7.6
Financial income and expenses	-314.3	421.9

III ProSiebenSat.1





Valuation associated company ProSiebenSat.1

-Impairment loss on financial instrument at 30 June 2008	-185.0	
-Impairment loss on financial instrument at 25 September 2008	-10.0	
	<u>-195.0</u>	
-Purchase price ordinary shares at 25 September 2008	377.1	
-Impaired by the initial valuation *)	-195.0	
	<u>-195.0</u>	
-Initial valuation at 25 September 2008		182.1
-6% minority interest in result ProSiebenSat.1 (25/9-31/12)	-10.2	
-Impairment loss as at 31 December 2008	-99.8	
	<u>-99.8</u>	
		<u>-110.0</u>
<u>Carrying value at 31 December 2008</u>		<u>72.1</u>

Recap

-Impairment loss on financial instrument	-195.0	
-Impairment loss on associated company	-99.8	
-6% minority interest in result ProSiebenSat.1 (25/9-31/12)	-10.2	
		<u><u>-305.0</u></u>

Total effect in P&L

Key data ProSiebenSat.1



-Number of ordinary shares with voting rights	13.127.832
-Carrying value TMG per ordinary share at 31 December 2008	€ 5.50
-Listed price per preferent share at 31 December 2008	€ 2.40

Revenues and earnings ProSiebenSat.1

	2007*)	2008
Revenues	3,237.2	3,054.2
Recurring EBITDA	784.2	674.5

*) proforma

Principles valuation ProSiebenSat.1



Carrying value of € 72,1M is calculated under the following principles:

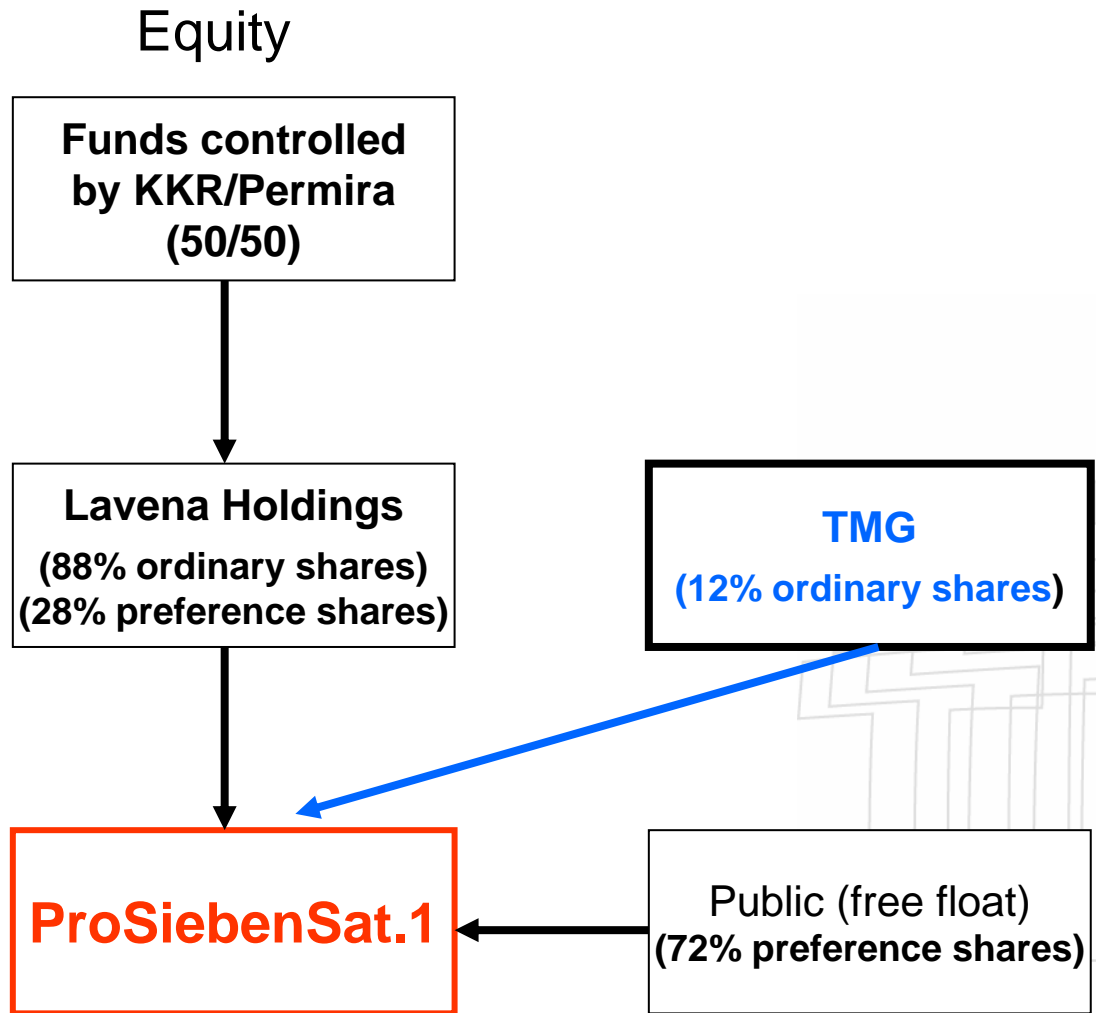
- Discounted cash flow method
- WACC calculated at 10,4%
- Prudent view on the recurring EBITDA of ProSiebenSat.1 in the coming year
- Negative assurance on calculation by Deloitte Corporate Finance
- Further disclosure in annual report after consent of ProSiebenSat.1

Situation KKR Private Equity



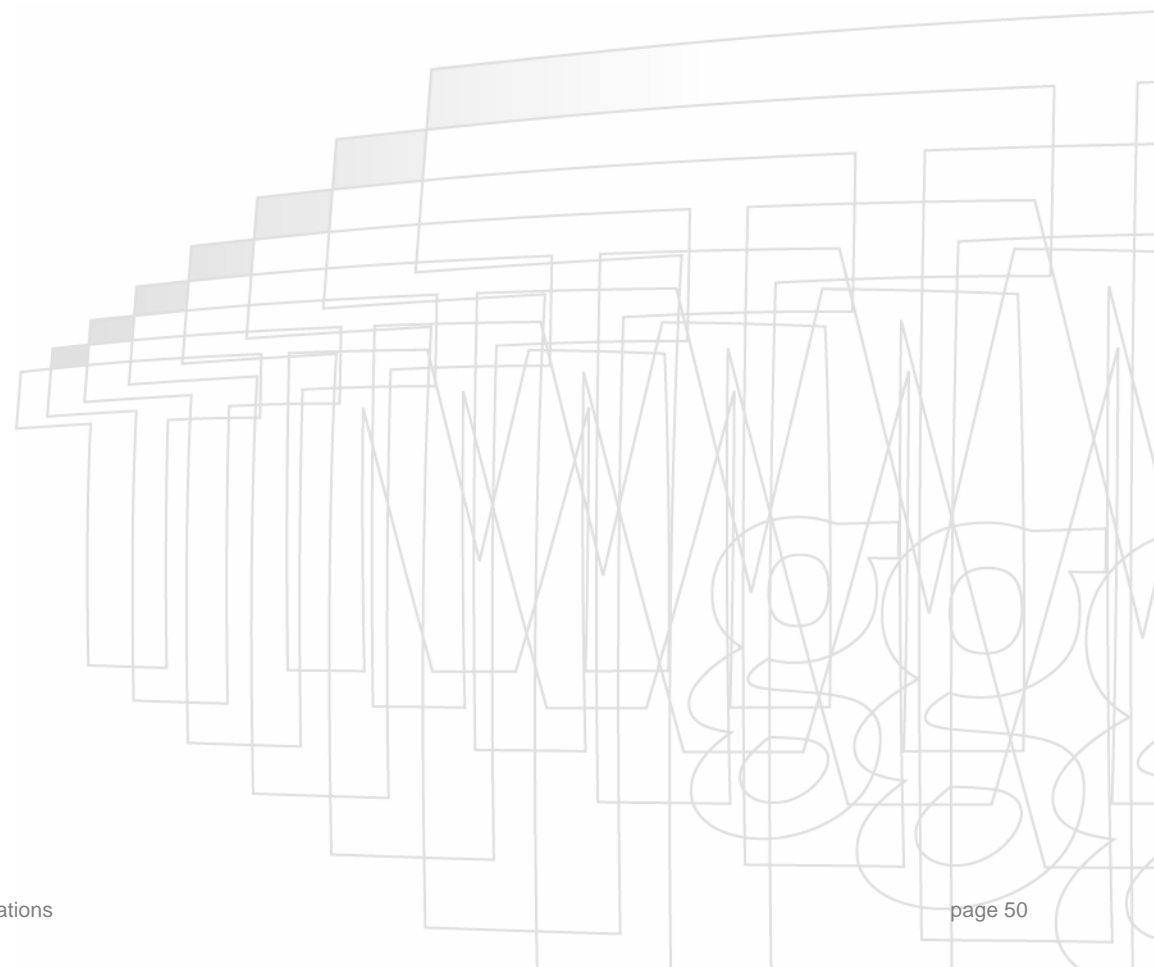
- There is no observable market price for the ordinary shares
- KKR Private Equity Investors, L.P. (Euronext: KPE) has valued its holding in ProSiebenSat.1 at nil
- However, KPE does not hold shares directly in ProSiebenSat.1 but in Lavena Holding 4 GmbH, with € 1,9 billion loan

Situation KKR Private Equity (2)





Q & A





telegraaf media groep

