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TMG Semi-Annual Results 2010

August 13, 2010



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A. J. Swartjes - CEO

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A.J. Swartjes - CEO

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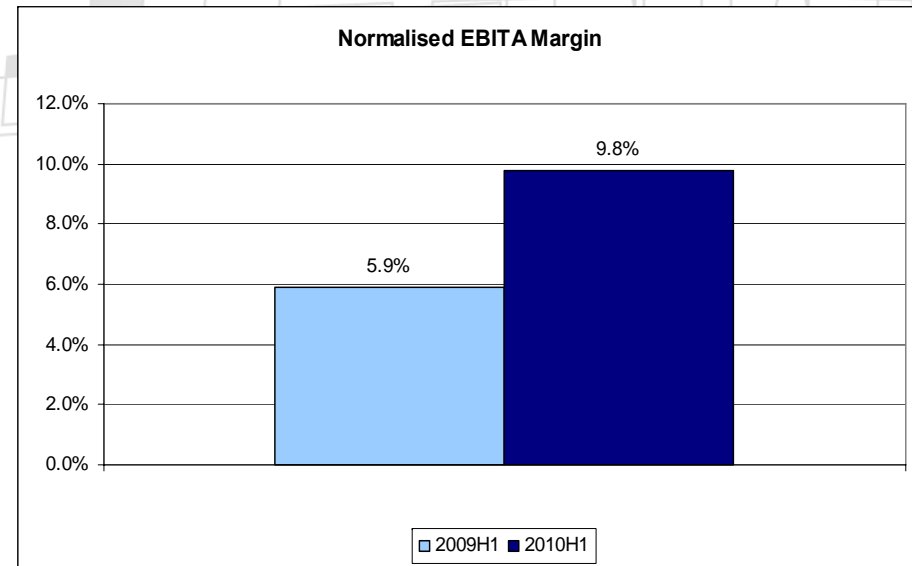
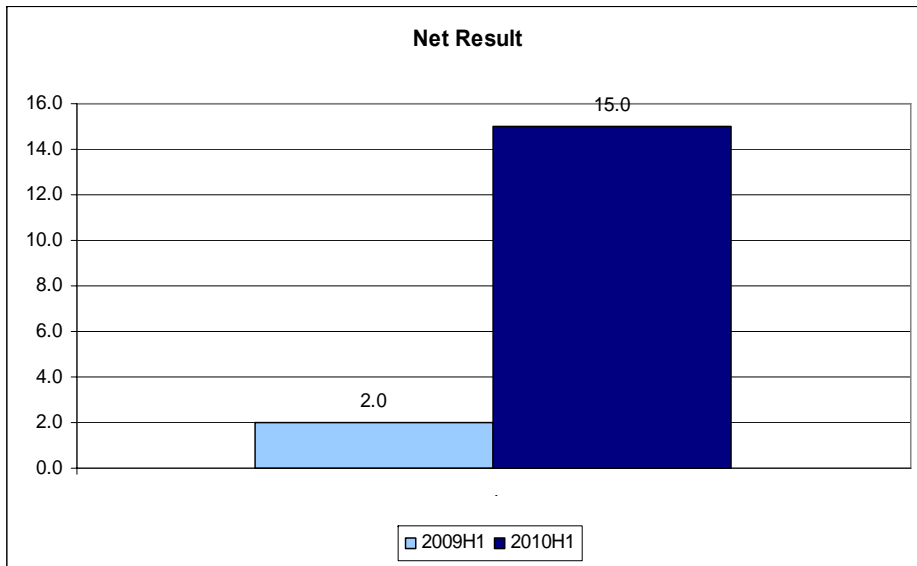
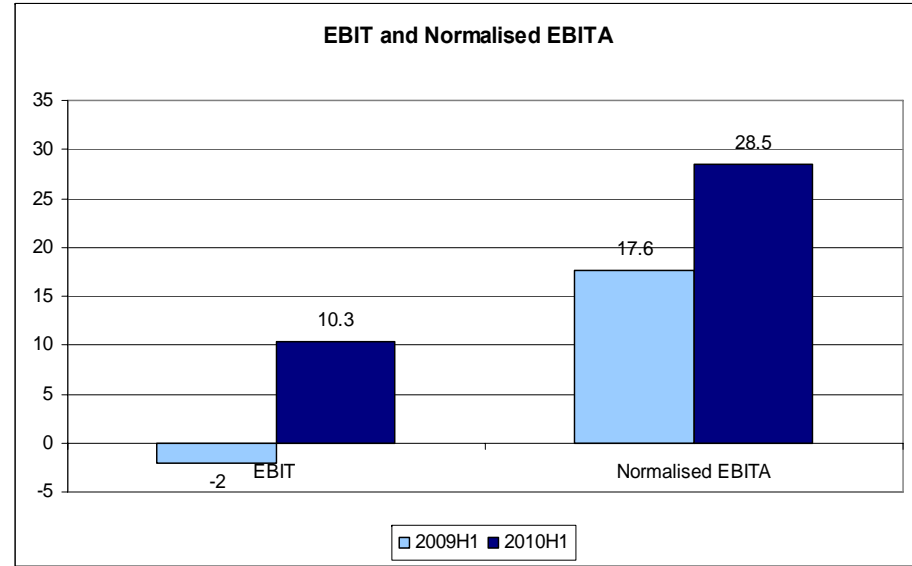
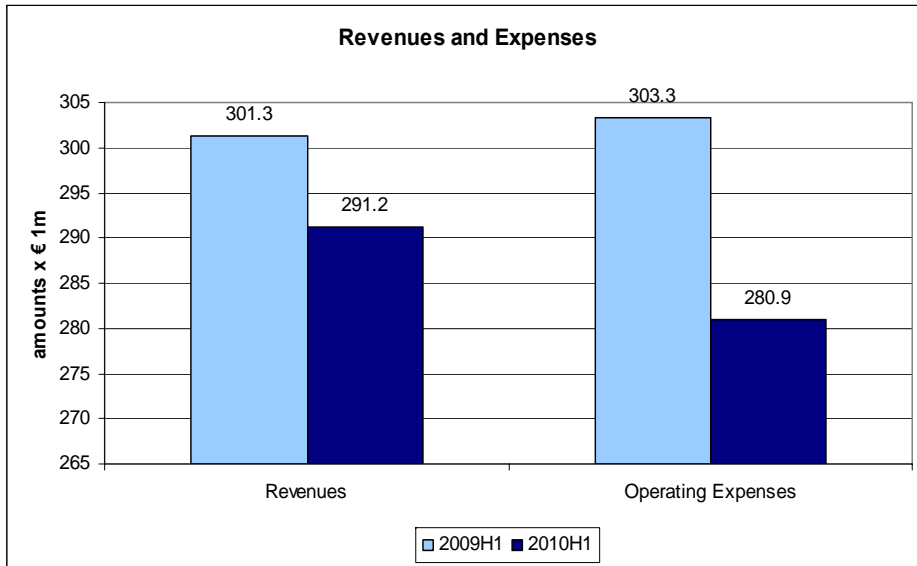
Q&A

Headlines Results 2010 First Half

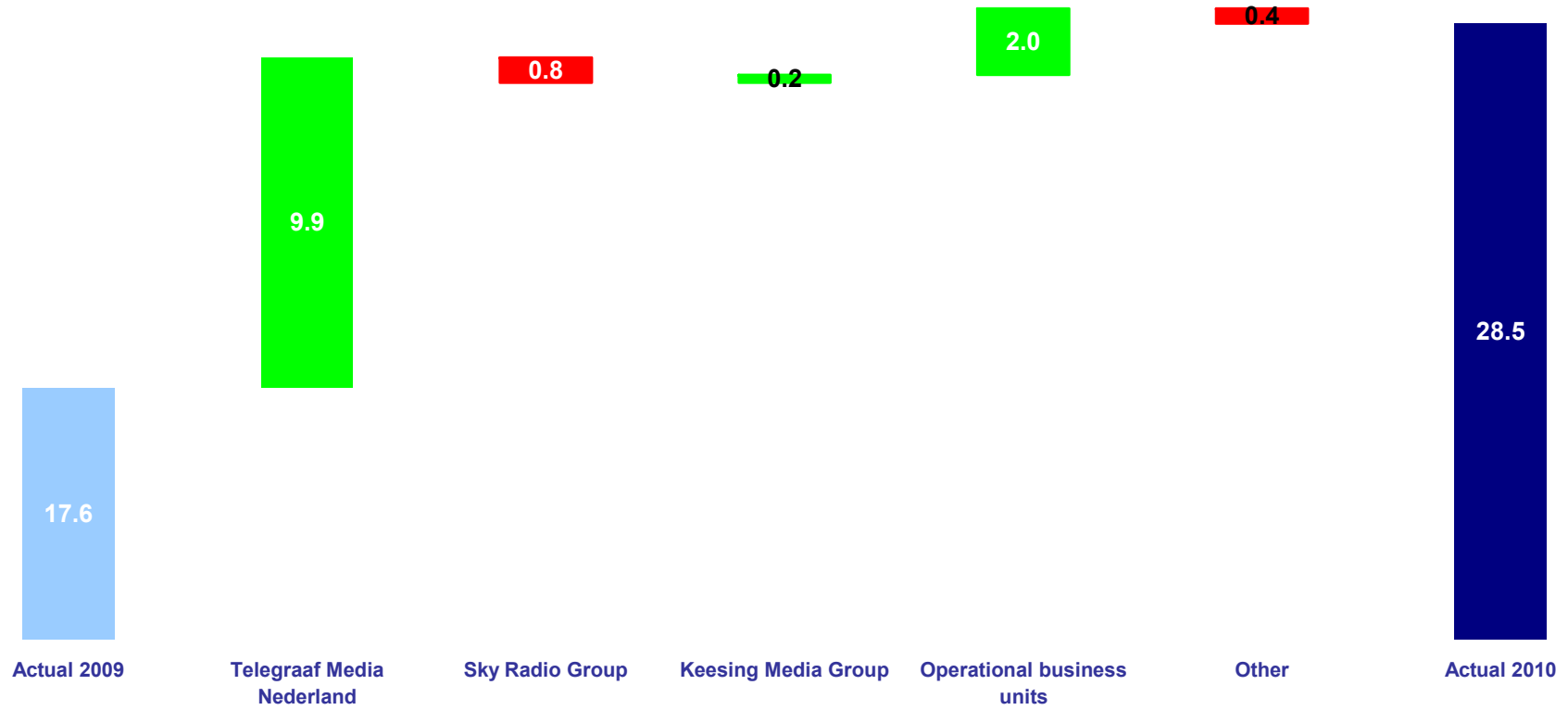


<i>Amounts x € 1 million</i>	10H1	09H1	Δ 10H1/09H1	% Δ 10H1/09H1
Revenues	291.2	301.3	-10.1	-3.4%
Operating Expenses	280.9	303.3	-22.4	-7,4%
EBIT	10.3	-2.0	12.3	>100%
Normalised EBITA	28.5	17.6	10.9	>60%
Normalised EBITA %	9.8%	5.9%	3.9%	>60%
Net Result	15.0	2.0	13.0	>100%

Headlines Results 2010 First Half



Business Units - Recurring EBITA 10H1 versus 09H1 (amounts in millions of euros)



Targets and realisation



Targets:

- 2008 cost cutting programme included:
 - Structural lower yearly expenses €40m - €50m (including -500 fte by mid 2010)
 - Disposal of inadequately performing activities
 - Outsourcing non core activities
 - Other cost savings
- Growth in digital activities
- 10% growth in recurring EBITA margin

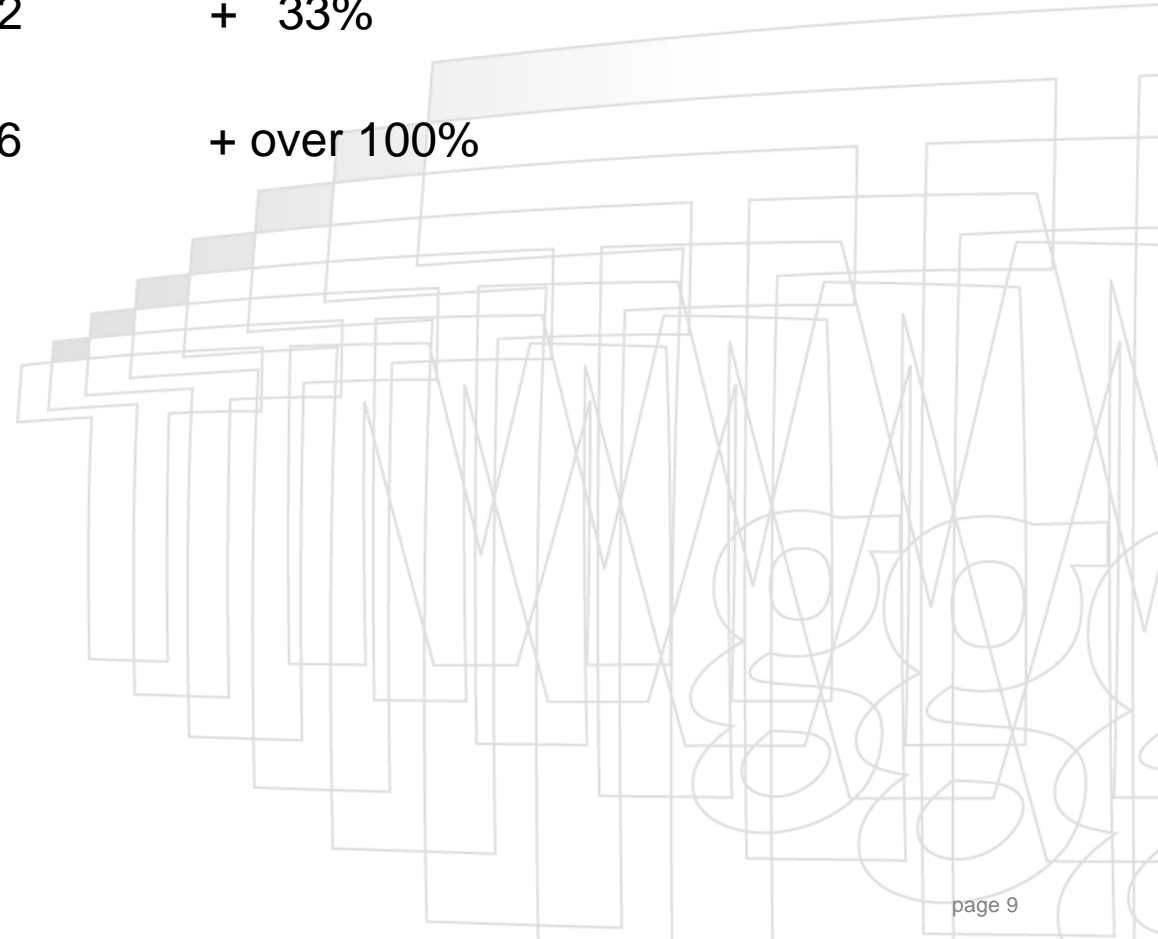


ProSiebenSat.1 Media AG



10H1 results (x € 1 million)

- Group earnings € 1,419 + 7.4%
- Recurring EBITDA € 392 + 33%
- Consolidated net profit (after non-controlling interests) € 96 + over 100%



External Influences



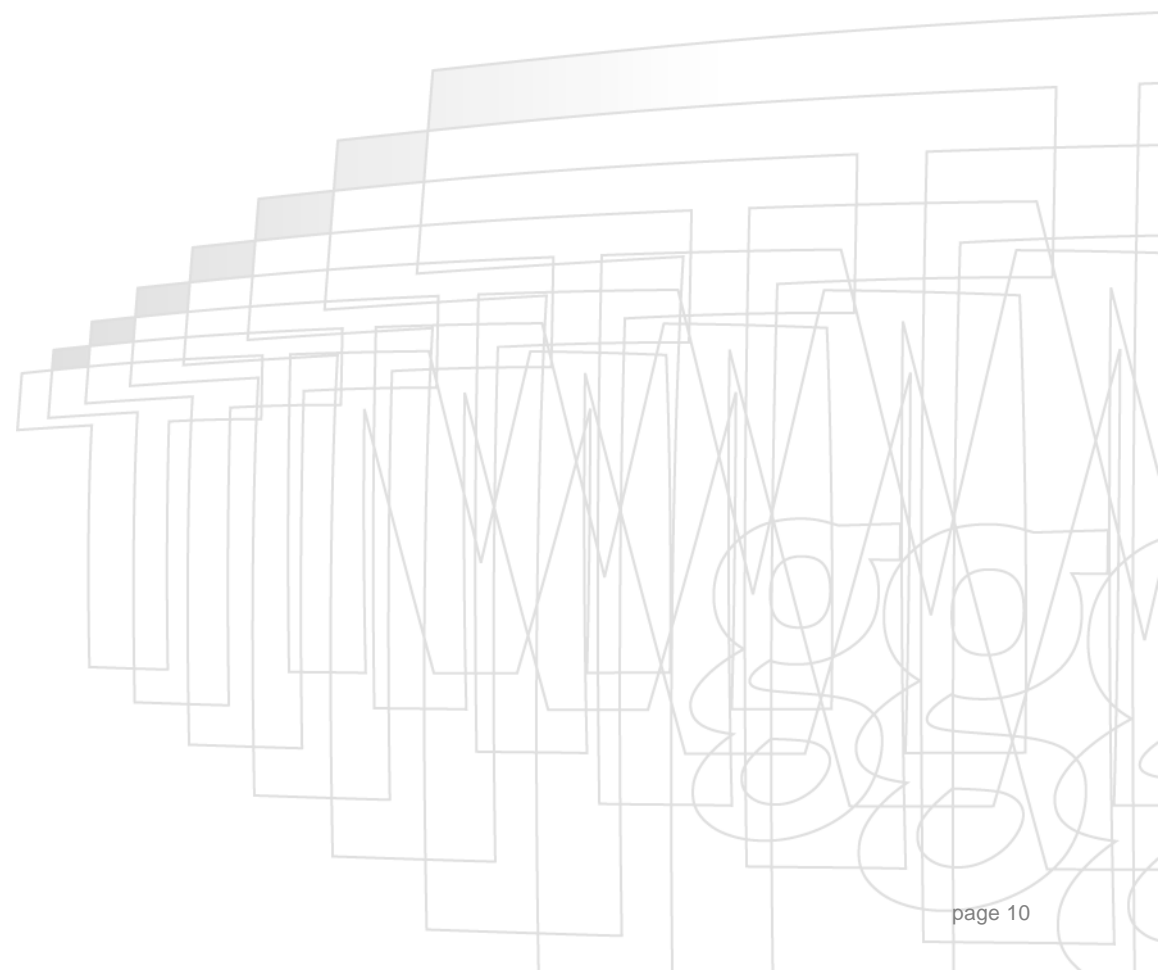
Public Broadcasting

- STER
- Budgets

Legislation/Government

- Cross Ownership Rules

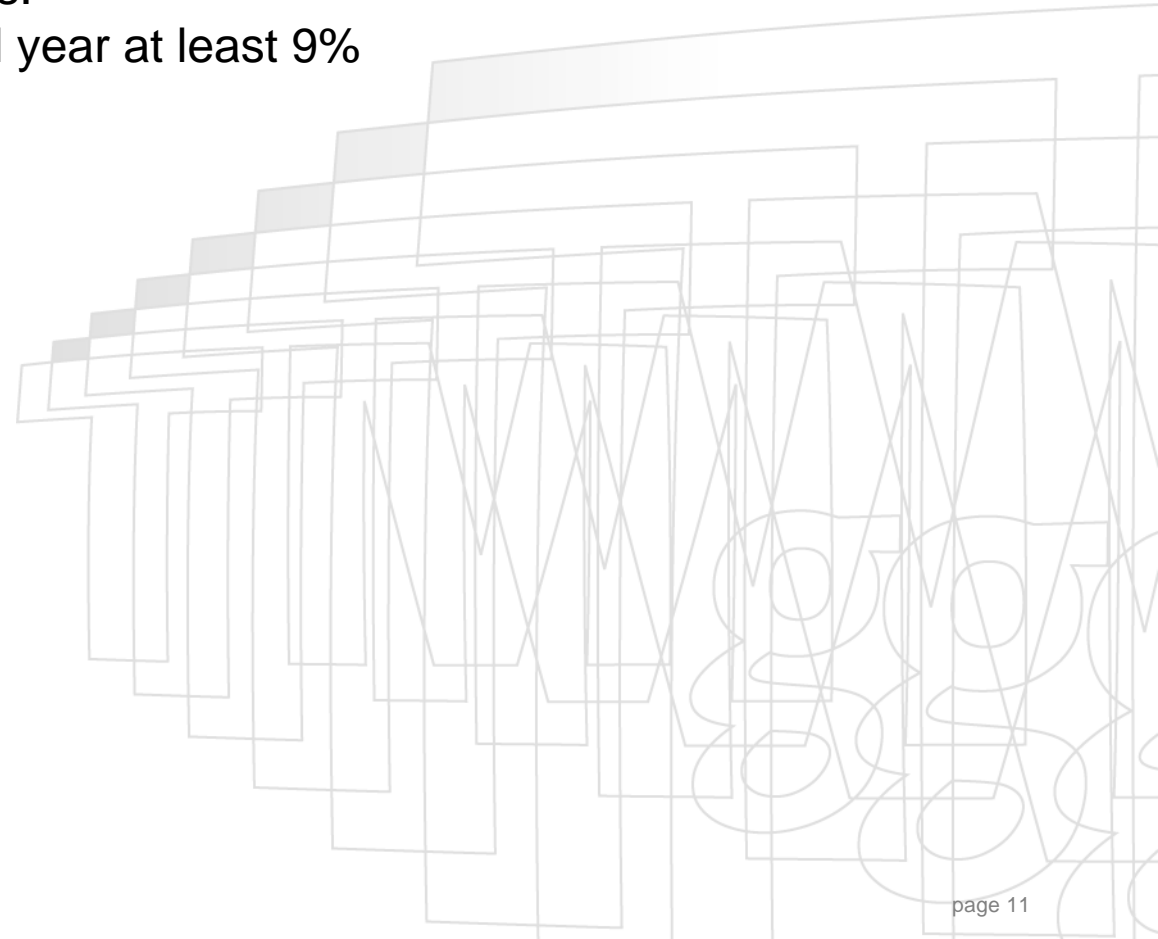
Formation of a new Dutch cabinet



Outlook 2010 Full Year (1)



- Keep in mind:
Result improvement 10H1 not to be extrapolated to full year;
important cost savings already effected throughout 2009
- Given the trend in advertising revenues:
recurring EBITA margin for full year at least 9%



Outlook 2010 Full Year (2)



Factors that affect the operating result for the full year 2010:

- Positive:
 - Continued effect of the cost measures implemented in 2009;
 - Outsourcing of activities;
 - Lower distribution costs due to the discontinuation of the Sunday edition of the De Telegraaf;
 - Projected growth in the revenues derived from digital activities;
 - Decreased cost of paper.
- Negative:
 - Projected decline in the revenues from advertising in spite of the positive effect of the FIFA World Cup;
 - Effect of increases pursuant to the collective labour agreement;
 - Effect of inflation.

Outlook 2010 Full Year (3)



Factors that furthermore will affect the *net* result in 2010:

- (The share in) the result of ProSiebenSat.1 Media AG
- Tax credit on expected liquidation Expomedia Group PLC

Conclusion



- TMG is almost debt-free and occupies leading positions with big brands in a number of relevant markets
- TMG will continue to focus on:
 - Cost reductions
 - Revenue growth
 - from existing activities
 - through acquisitions (focus digital area)
Several potential acquisitions were considered during 10H1 but the conditions under which acquisitions could be made, led to an absence of concrete steps
- Print products remain very important for TMG result and will deliver proper returns for many years to come
- In a declining market especially major print publishers like TMG are able to grow in market shares and financial performance
- TMG's biggest challenge: growth by migrating to more digital revenues and results, without losing sight of the profitability of print products



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F.Th.J. Arp - CFO



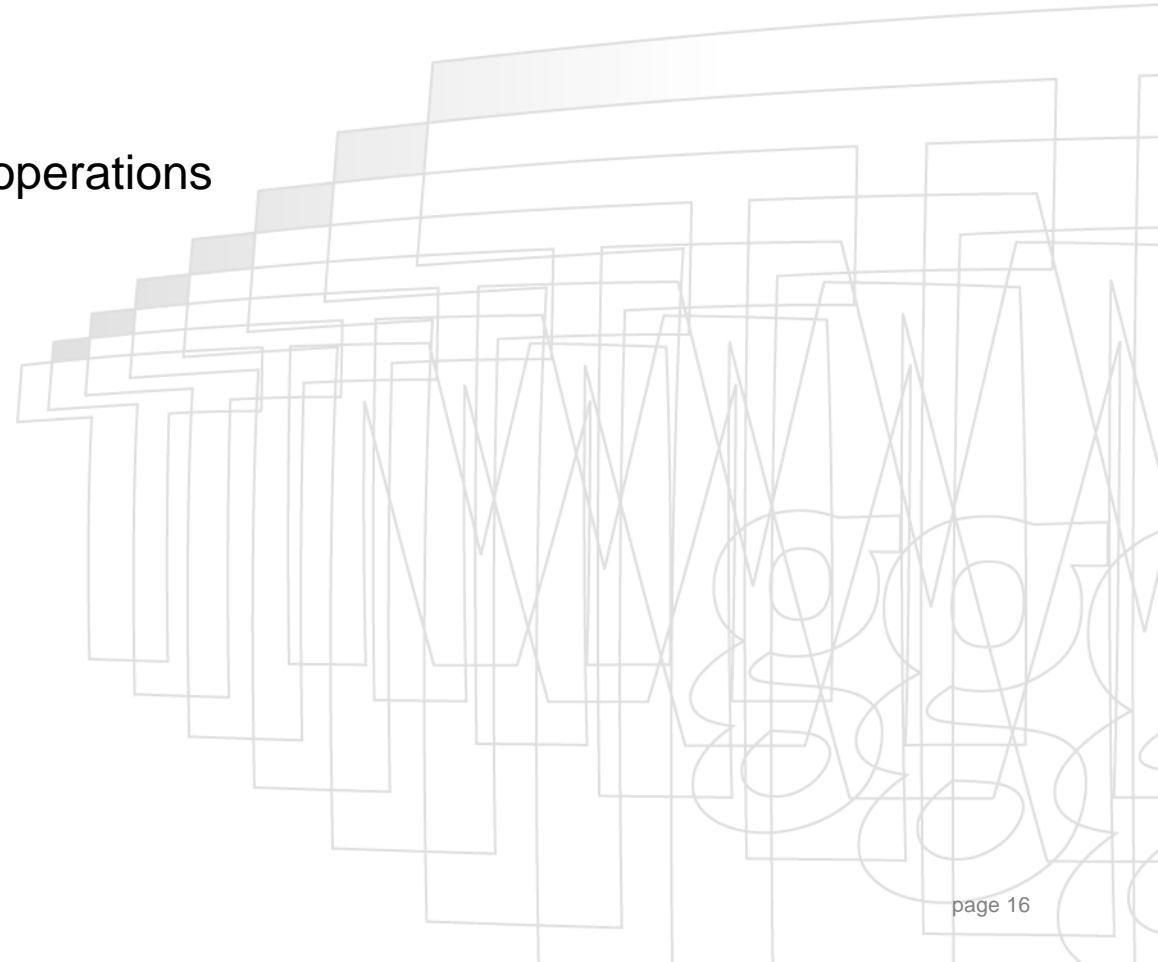
I General information

- Headlines
- Statement of comprehensive income
- Statement of cash flows
- Statement of financial position

II Analysis result H1 2010 - continued operations

III ProSiebenSat.1 Media AG

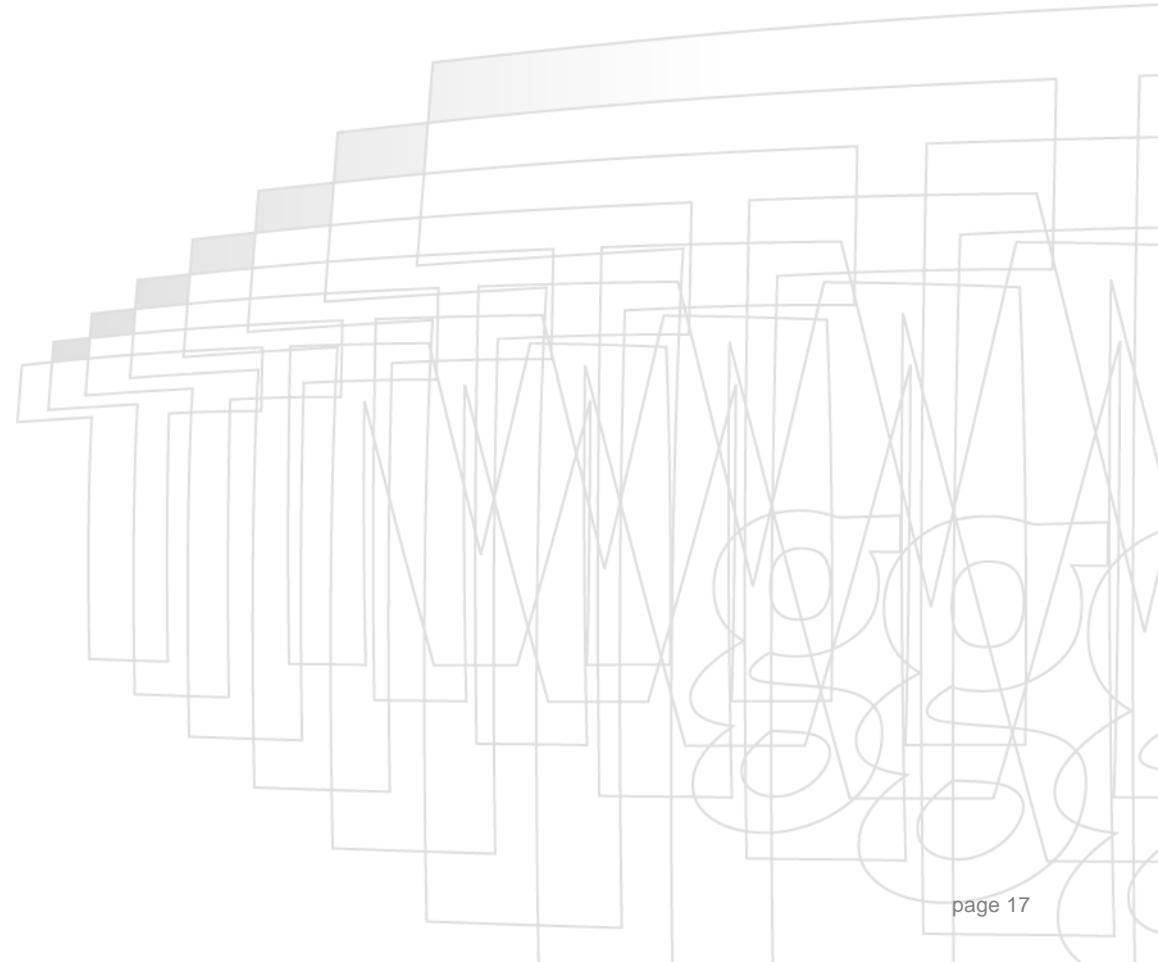
IV Summary



I General information



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TMG semi-annual report 2010



- 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 statement of comprehensive income is on continued operations, comparative financial figures H1 2009 have been reclassified.
- The consolidated semi-annual report has not been audited.

Headlines continued operations (amounts in millions of euros)



	<u>H1 2010</u>	<u>H1 2009</u>	<u>Change</u>
Revenues (recurring)	290.8	299.9	-3%
Ebitda (recurring)	35.8	26.0	38%
Ebitda margin (recurring)	12.3 %	8.7 %	42%
Ebita (recurring)	28.5	17.6	62%
Ebita margin (recurring)	9.8 %	5.9 %	67%
Financial incomes and expenses	7.5	0.7	
Net result (realized) attributable to Shareholders of TMG	15.7	2.8	
Net result (realized)	15.0	2.0	

Continued and discontinued operations (amounts in thousands of euros)



	Total operations		Discontinued operations		Continued operations	
	H1 2010	H1 2009	H1 2010	H1 2009	H1 2010	H1 2009
Revenues (recurring)	290,792	305,873	-	5,997	290,792	299,876
Expenses (recurring) 1)	262,256	291,030	-	8,737	262,256	282,293
EBITA (recurring)	28,536	14,843	-	-2,740	28,536	17,583
EBITA - margin (recurring)	9.8%	4.9%			9.8%	5.9%

1) Excluding amortisation and impairment loss

Statement of comprehensive income – continued operations

(amounts in thousands of euros)



	H1 2010	H1 2009
Total income	291,244	301,313
Total operating expenses excl. amortisation and impairment loss	262,298	282,709
EBITA	28,946	18,604
Total normalisations	410-	-1,021
Recurring EBITA	28,536	17,583
As % of sales	9.8%	5.9%
Amortisation and impairment loss	18,630	20,576
EBIT	10,316	-1,972
Financial income and expenses	7,535	721
Result before tax	17,851	-1,251
Tax on result	2,812	-1,186
Result after tax before gain on discontinued operations	15,039	-65
Gain on sale of discontinued operation, net of tax	-	2,055
Result for the year (realized)	15,039	1,990
Minority interest	623	853
Result attributable to Shareholders of TMG (realized)	15,662	2,843

Statement of cash flows

(amounts in thousands of euros)



	H1 2010	H1 2009
Net cash from operating activities	+ 15,355	- 8,924
Disposals/acquisitions	1,765	-1,166
Net investments/divestments	<u>-3,472</u>	<u>7,324</u>
Net cash (used in)/from investing activities	- 1,707	+ 6,158
Redemption of borrowings	-2,495	-3,418
Dividends paid	-16,713	-16,713
Change in minority interest	<u>45</u>	<u>121</u>
Net cash used in financing activities	- <u>19,163</u>	- <u>20,010</u>
Net decrease in cash	- <u><u>5,515</u></u>	- <u><u>22,776</u></u>

Statement of financial position – assets

(amounts in thousands of euros)



	<u>30/06/2010</u>	<u>31/12/2009</u>
Non-current assets	579,023	595,522
of which:		
Intangible assets	362,726	381,360
Property, plant and equipment	55,569	60,646
Other non-current assets	<u>160,728</u>	<u>153,516</u>
Current assets	149,817	167,274
of which:		
Cash and cash equivalents	52,800	56,506
Other current assets	<u>97,017</u>	<u>110,768</u>
Total assets	<u><u>728,840</u></u>	<u><u>762,796</u></u>

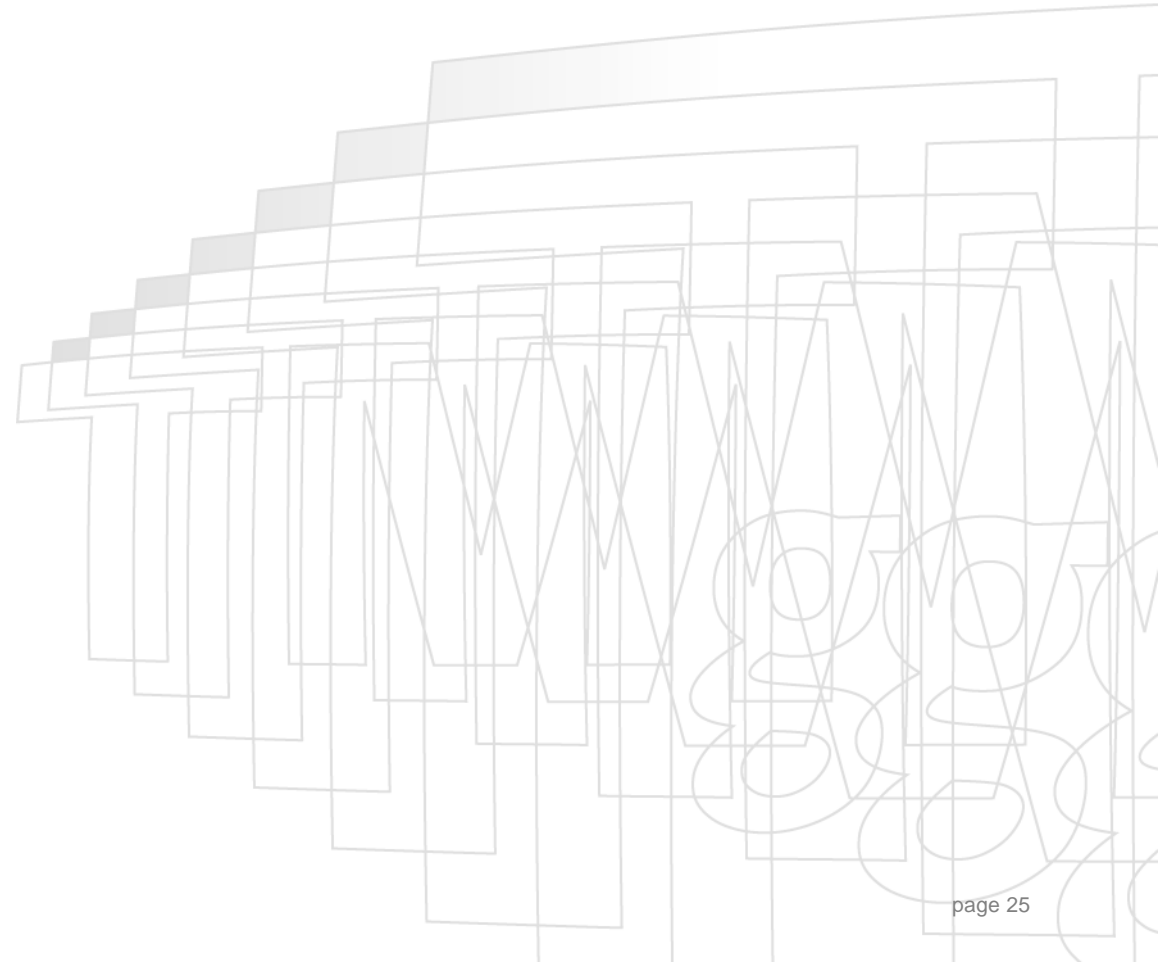
Statement of financial position – equity and liabilities

(amounts in thousands of euros)



	<u>30/06/2010</u>	<u>31/12/2009</u>
Shareholders' equity	467,668	469,297
Interest-bearing loans and borrowings	18,990	18,618
of which:		
Interest- bearing loans	11,205	11,166
Acquisition payables	7,743	7,411
Other financing	<u>42</u>	<u>41</u>
Provisions	55,630	60,291
of which:		
Post-employment benefit liabilities	26,037	26,932
Restructuring provision	5,183	7,657
Deferred tax liabilities	<u>24,410</u>	<u>25,702</u>
Current liabilities	<u>186,552</u>	<u>214,590</u>
Total liabilities	261,172	293,499
Total equity and liabilities	<u><u>728,840</u></u>	<u><u>762,796</u></u>

II Analysis result H1 2010 – continued operations



Ebita: reported and recurring (amounts in thousands of euros)



	H1 2010		H1 2009	
	Reported	Recurring	Recurring	Reported
Revenues	290,792	290,792	299,876	299,876
Other operating income	452			1,437
Total income	291,244	290,792	299,876	301,313
Total operating expenses excl. amortisation and impairment loss	262,298	262,256	282,293	282,709
EBITA	28,946	28,536	17,583	18,604
EBITA margin		9.8%	5.9%	
Amortisation intangible assets *)	18,630	18,630	19,065	19,065
Impairment loss of intangible assets	-			1,511
Amortisation and impairment loss	18,630	18,630	19,065	20,576
EBIT	10,316	9,906	-1,482	-1,972
*) Including amortisation license costs SRG (cash out)		4,929	4,929	

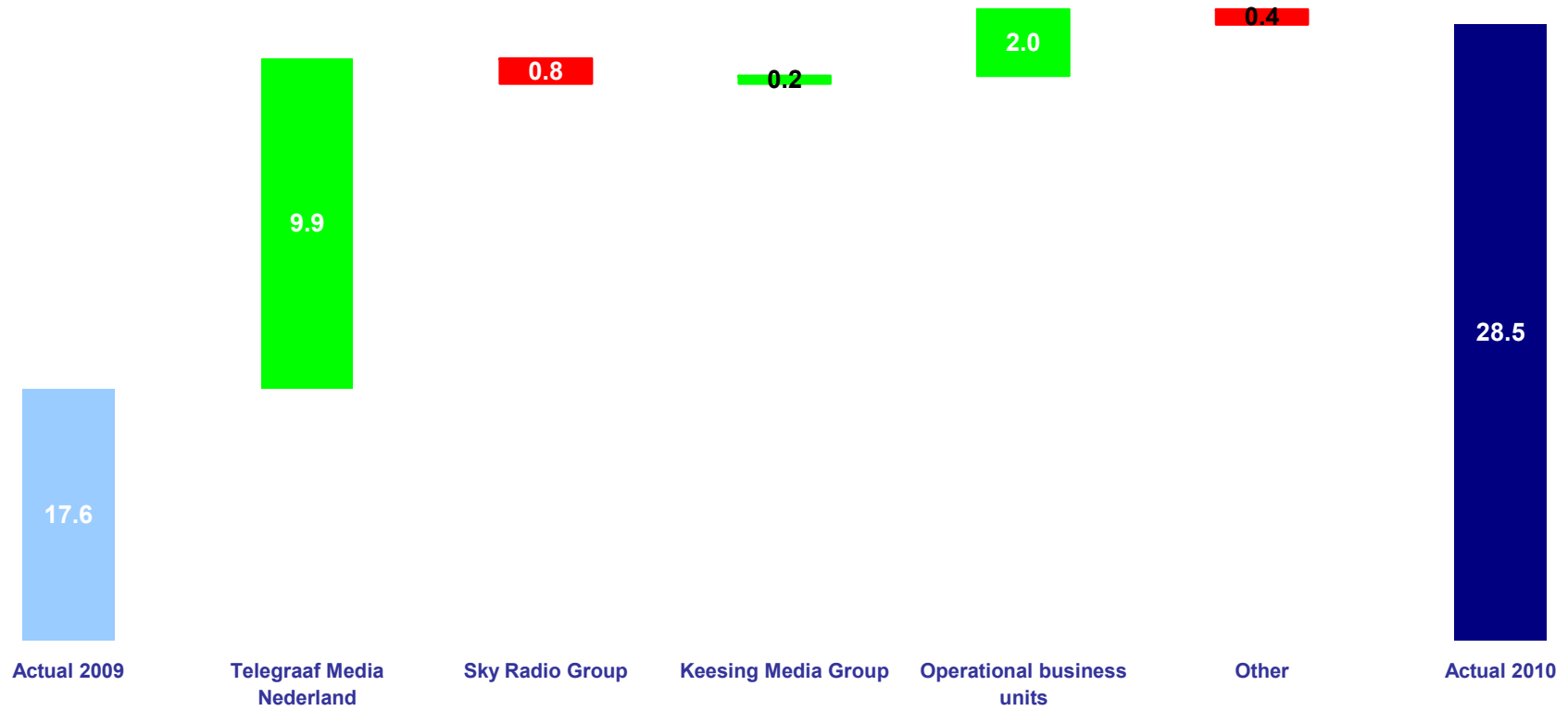
Reported Ebita versus recurring Ebita (amounts in thousands of euros)



	<u>H1 2010</u>	<u>H1 2009</u>	<u>Change</u>
Reported EBITA	28,946	18,604	10,342
Other operating income (book profits)	452-	1,437-	985
Restructuring costs	-	180	180-
Other operating expenses	42	236	194-
Total normalisations	<u>410-</u>	<u>1,021-</u>	<u>611</u>
Recurring EBITA	<u><u>28,536</u></u>	<u><u>17,583</u></u>	<u><u>10,953</u></u>

Recurring Ebita H1 2010 versus 2009

(amounts in millions of euros)



Recurring Ebita 2009 / 2010 – Quarterly results (amounts in millions of euros)

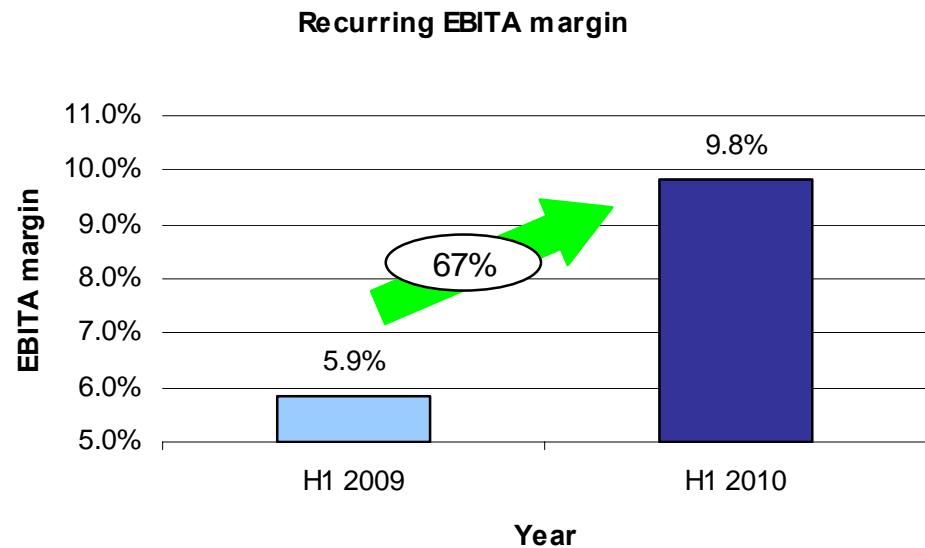
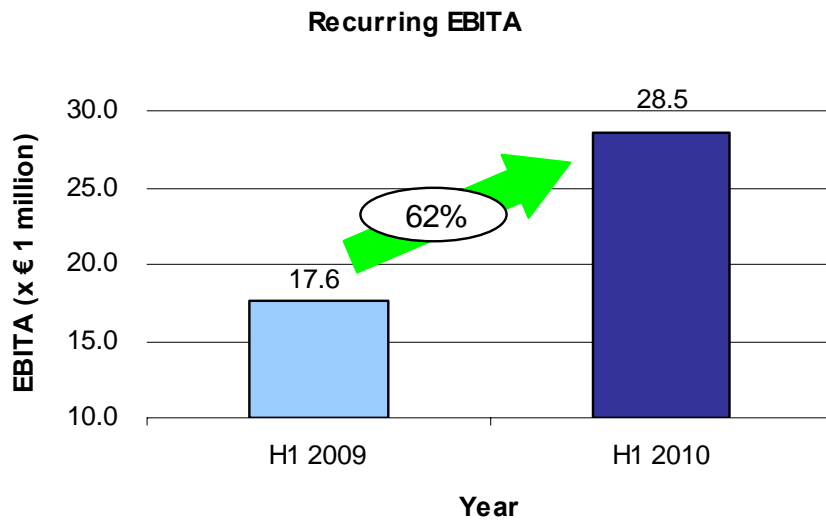
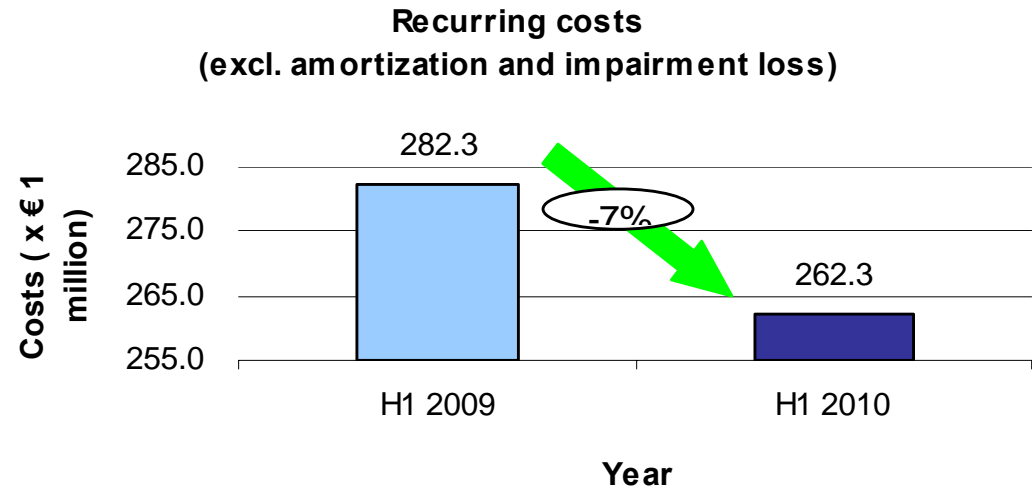
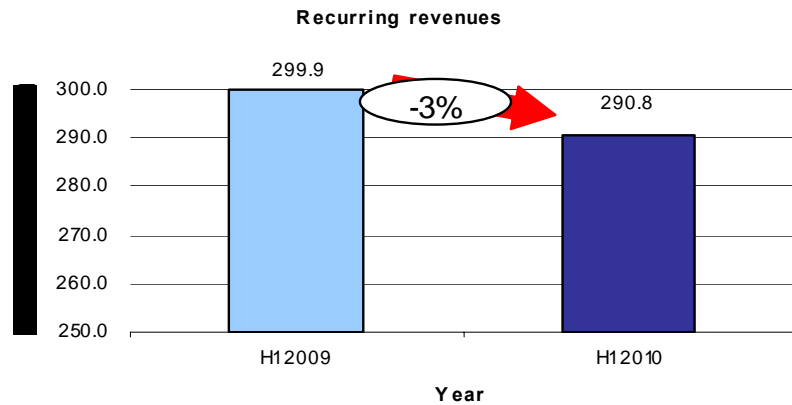


Recurring	<u>Q1 2009</u>	<u>Q2 2009</u>	<u>H1 2009</u>	<u>Q1 2010</u>	<u>Q2 2010</u>	<u>H1 2010</u>
Revenues total	150.4	155.5		140.5	150.3	
Revenues discontinued	4.3	1.7		-	-	
Revenues continued	146.1	153.8	299.9	140.5	150.3	290.8
Operating expenses *) total	148.1	143.4		129.8	132.5	
Opex discontinued	6.6	2.6		-	-	
Opex continued	141.5	140.8	282.3	129.8	132.5	262.3
Ebita total	2.3	12.1		10.7	17.8	
Ebita discontinued	2.3-	0.9-		-	-	
Ebita continued	4.6	13.0	17.6	10.7	17.8	28.5
Ebita margin total	1.5%	7.8%		7.6%	11.8%	
Ebita margin continued	3.1%	8.4%	5.9%	7.6%	11.8%	9.8%

*) Excluding amortisation and impairment loss

Cost saving measures take effect (H1 continued)

(amounts in millions of euros)

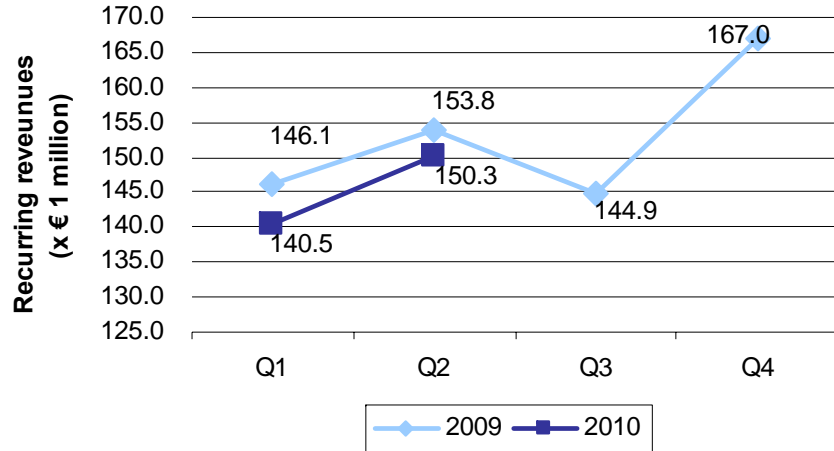


Cost saving measures take effect (by quarter continued)

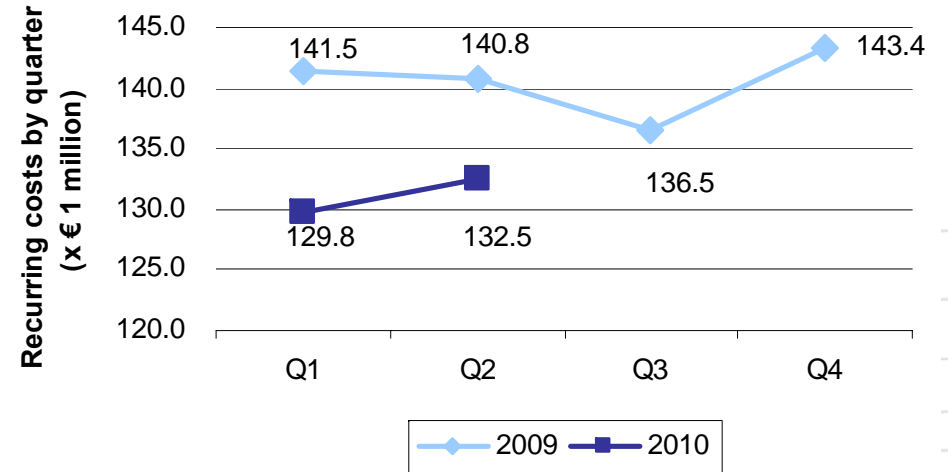
(amounts in millions of euros)



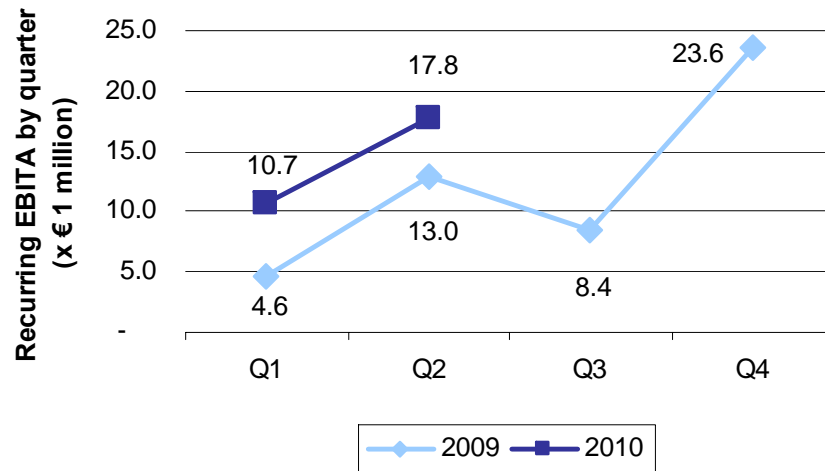
Recurring revenues by quarter



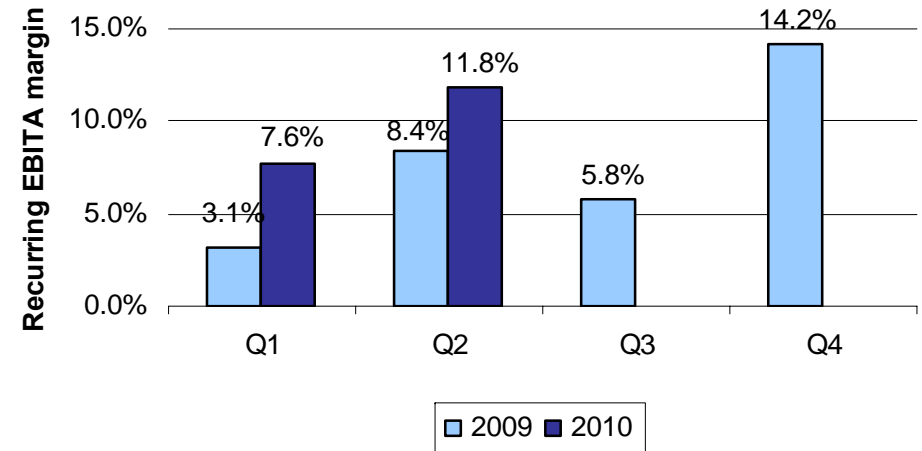
Recurring costs by quarter



Recurring EBITA by quarter



Recurring EBITA margin by quarter



Recurring Ebita changes H1 2009-2010

(amounts in millions of euros)



H1 2010

Cost reductions

Staff costs	8
Distribution costs	7
Production costs	6
Depreciation costs	1
Other	2-
	<hr/>

Effect measures according to implementation strategy

20

Revenues

Decrease advertisements	6
Decrease distribution and printing third parties	1
Other	2
	<hr/>

9

Total recurring Ebita effect

+ 11

Realization of planned € 40M – € 50M margin improvement (amounts in millions of euros)

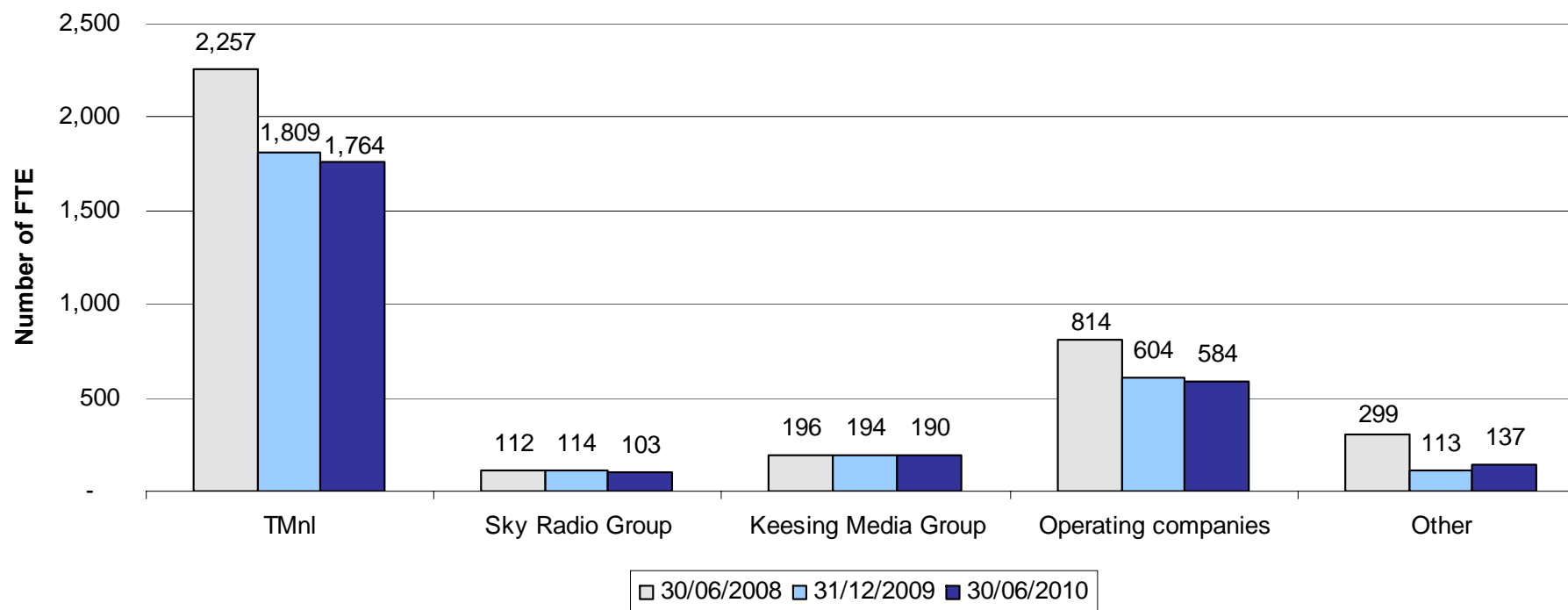


	<u>Planned</u>					<u>Cum. 2009</u>	<u>Cum. H1 2010</u>
	<u>2008</u>	<u>2009</u>	<u>Cum. 2009</u>	<u>2010</u>	<u>Cum. 2010</u>		
Restructuring/personnel cost	-5.0	-20.0	-25.0	-10.0	-35.0	25.6-	35.9-
Portfolio changes	PM	-11.0	-11.0	0.0	-11.0	11.0-	11.0-
Outsourcing non-core activities	0.0	PM	PM	PM	PM	PM	PM
Total	-5.0	-31.0	-36.0	-10.0	-46.0	36.6-	46.9-
<i>Fte's</i>							
Fte reduction	130-	295-	425-	75-	500-	538-	594-
Outsourcing distribution activities	-	100-	100-	-	100-	100-	100-
Portfolio changes - discontinued	-	PM	PM	PM	PM	294-	294-
Total FTE reduction programmes	130-	395-	525-	75-	600-	932-	988-
Portfolio changes - acquisitions						88	88
Total FTE reduction since June 2008						844-	900-

Headcount – Operations



FTE's as at	<u>30/06/2010</u>	<u>31/12/2009</u>	<u>30/06/2008</u>	Diff. 30/6/2010 vs 30/6/2008
TMnl	1,764	1,809	2,257	493-
Sky Radio Group	103	114	112	9-
Keesing Media Group	190	194	196	6-
Operating companies	584	604	814	230-
Other	137	113	299	162-
Operations	<u>2,778</u>	<u>2,834</u>	<u>3,678</u>	<u>900-</u>



Note: As from 1 January 2010, 40 FTE of FSSC are transferred from TMnl to Other.

Reported and recurring expenses (amounts in thousands of euros)



	H1 2010	H1 2009	% H1 2010 vs 2009
Recurring CoGS	100,472	112,446	-10.6%
of which:			
Distribution costs	43,249	50,344	-14.1%
Other	57,223	62,102	-7.9%
Recurring SG & A expenses	154,506	161,432	-4.3%
of which:			
Personnel costs	105,267	115,336	-8.7%
Other SG&A expenses	49,239	46,096	6.8%
Depreciation	7,278	8,415	-13.5%
Total expenses recurring	262,256	282,293	-7.1%
Total expenses non-recurring	42	416	-89.9%
Amortisation and impairment loss	18,630	20,576	-9.5%
Reported expenses	280,928	303,285	-7.4%

Revenue development (amounts in millions of euros)



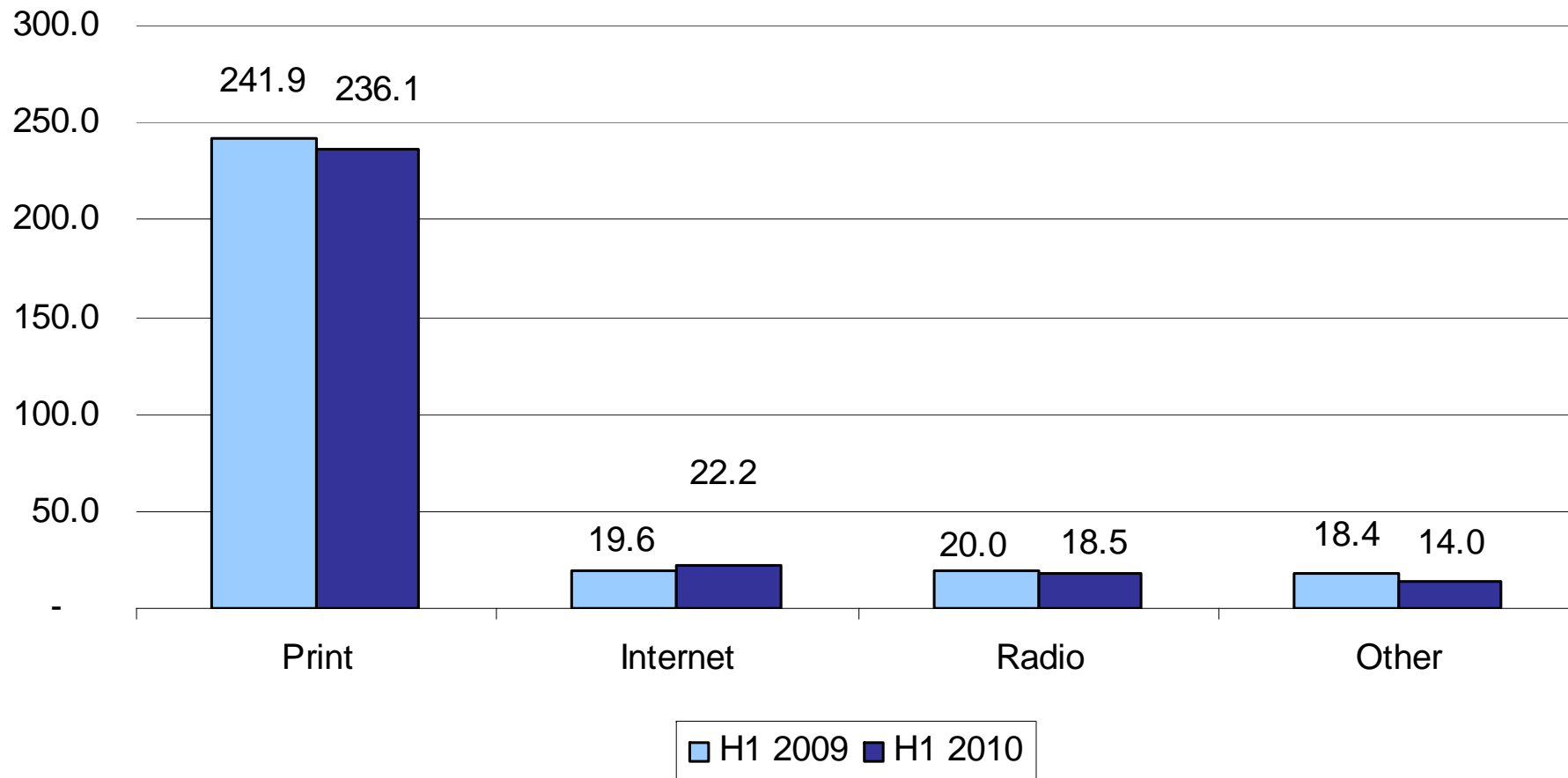
	H1 2010		H1 2009		Change
	Total	of which: Internet	Total	of which: Internet	Total
Advertisements	131.0	14.8	136.6	13.9	5.6-
Circulation	135.0	-	135.9	-	0.9-
Production	1.8	-	2.0	-	0.2-
Distribution	7.5	-	8.6	-	1.1-
Other income	15.5	7.4	16.8	5.7	1.3-
Revenues	290.8	22.2	299.9	19.6	9.1-
Other operating income	0.4	-	1.4	-	1.0-
Total income	291.2	22.2	301.3	19.6	10.1-

Revenue development (continued)

(amounts in millions of euros)



Revenue development

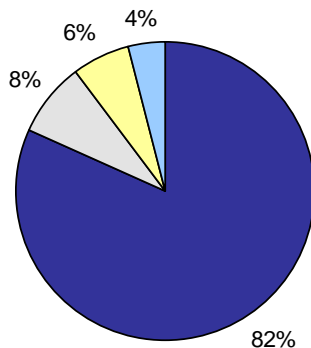




Revenue development by business unit (amounts in millions of euros)

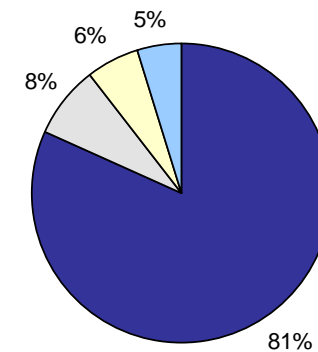
	H1 2010	H1 2009	Change
Telegraaf Media Nederland	237.6	242.9	5.3-
Keesing Media Group	23.0	22.7	0.3
Sky Radio Group	18.9	20.5	1.6-
Other activities	11.3	13.8	2.5-
	290.8	299.9	9.1-

H1 2010: Revenue by business unit



■ Telegraaf Media Nederland □ Keesing Media Group ■ Sky Radio Group ■ Other activities

H1 2009: Revenue by business unit



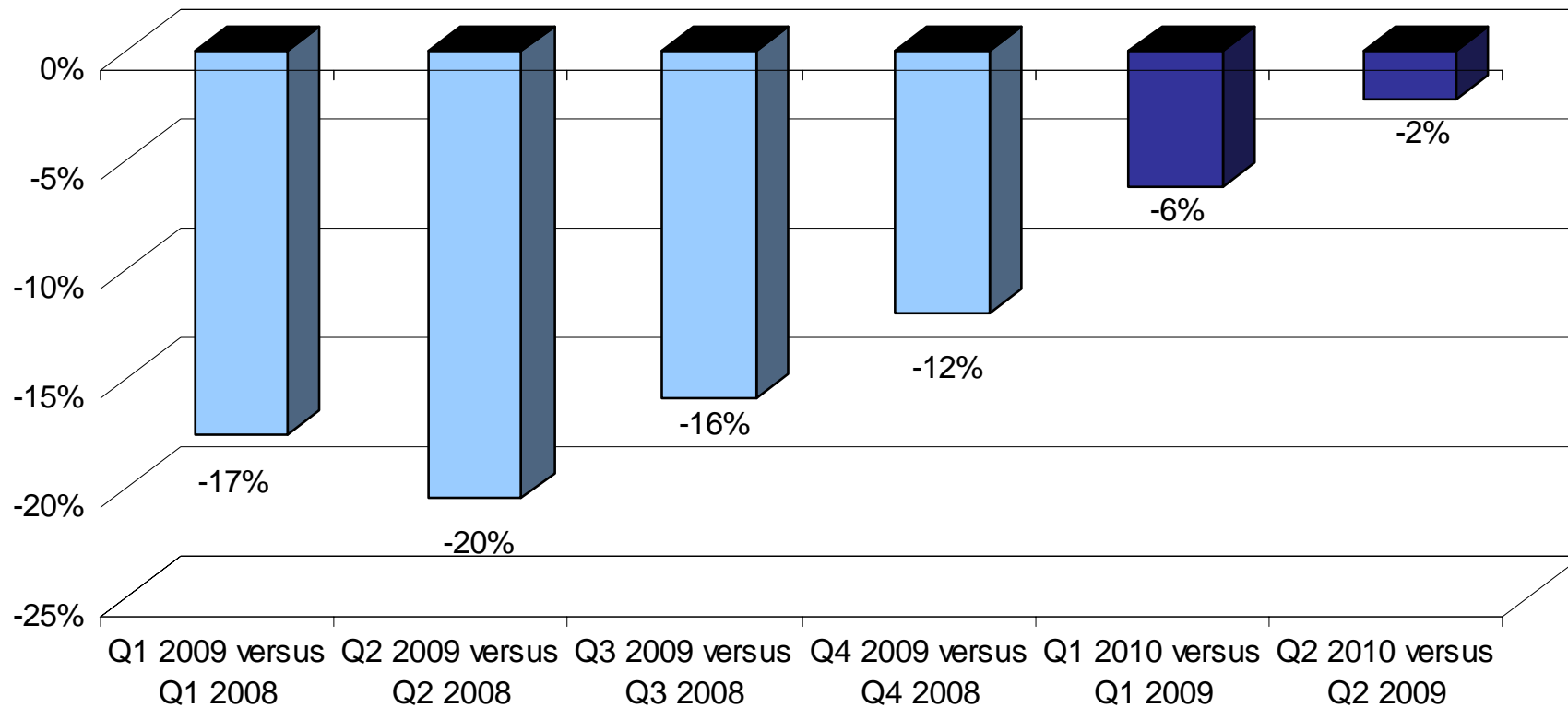
■ Telegraaf Media Nederland □ Keesing Media Group ■ Sky Radio Group ■ Other activities

Revenue development - Advertisement

(amounts in millions of euros)



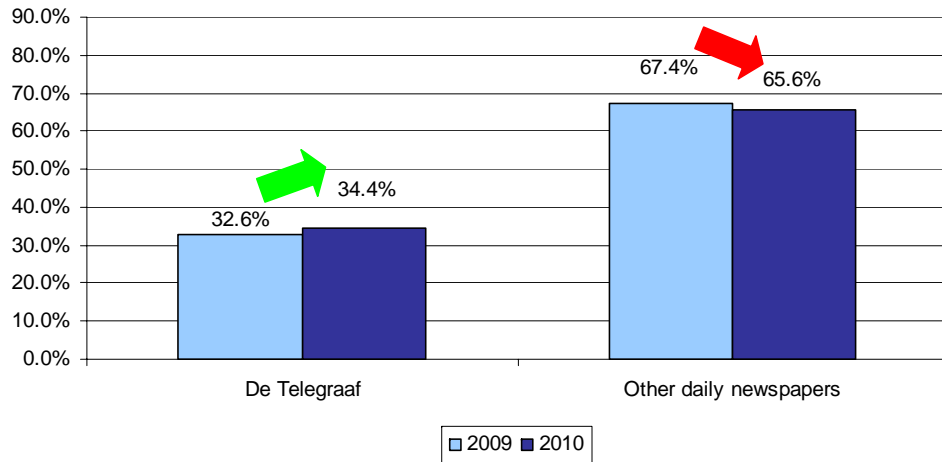
Development advertisement revenue



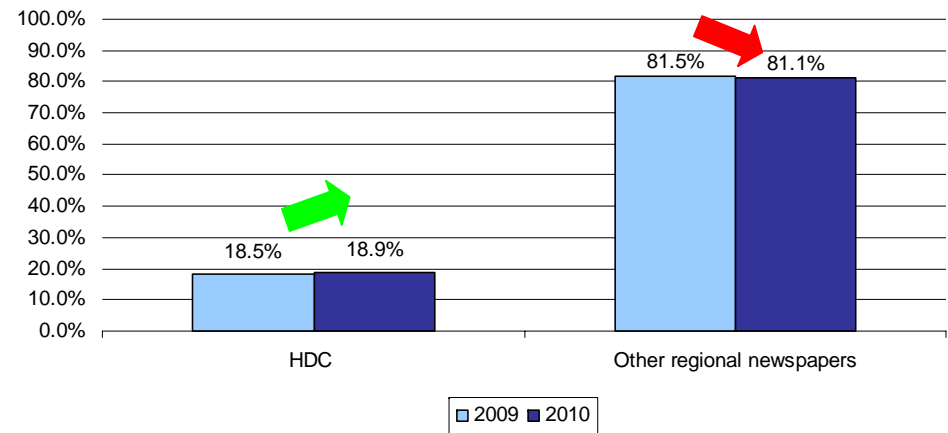
Revenue development – Advertisement – Development market share



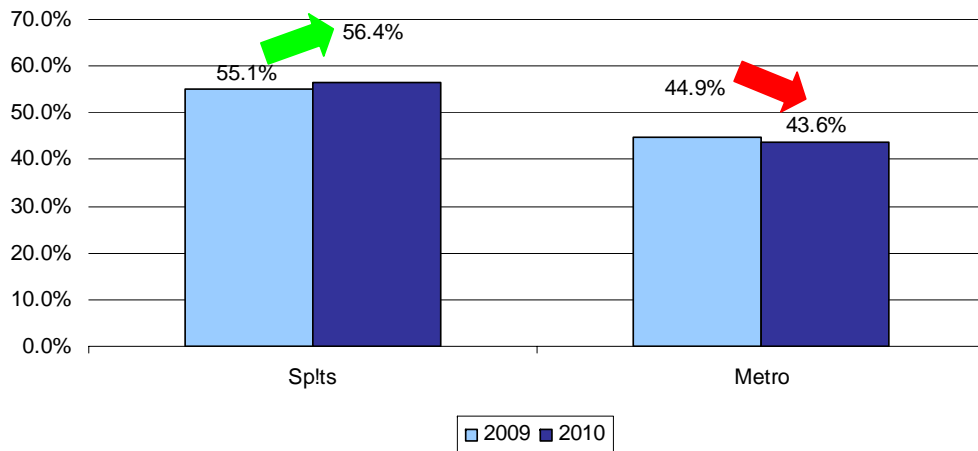
Development market share advertisement volume
National dailies



Development market share advertisement volume
Regional newspapers



Development market share advertisement volume
Splts and Metro

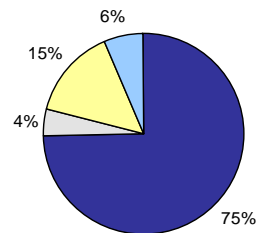




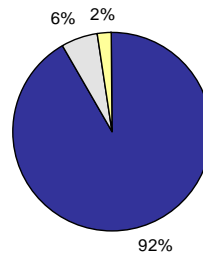
Revenue development – Advertisement revenue by segment (continued) (amounts in millions of euros)

	<u>H1 2010</u>	<u>H1 2009</u>	<u>Change</u>
National Brands and Services	79.8	81.3	1.5-
Recruitment	7.3	9.5	2.2-
Classified	10.5	12.4	1.9-
Local / Regional	33.4	33.4	-
	<u><u>131.0</u></u>	<u><u>136.6</u></u>	<u><u>5.6-</u></u>

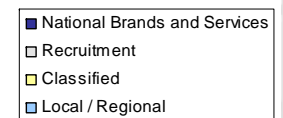
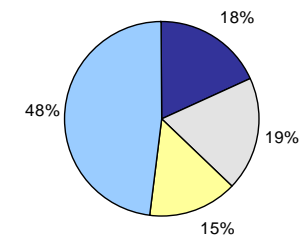
De Telegraaf



Splts



HDC Media



Revenue development – Internet

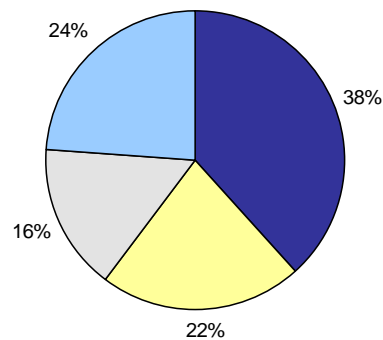
(amounts in millions of euros)



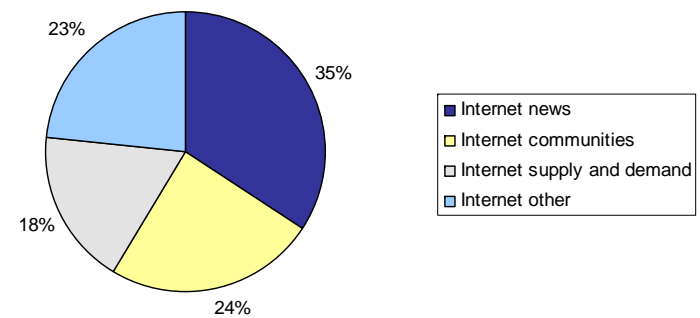
Internet news
 Internet communities
 Internet supply and demand
 Internet other

<u>H1 2010</u>	<u>H1 2009</u>	<u>Change</u>
8.5	6.7	1.8
4.9	4.8	0.1
3.5	3.5	-
5.3	4.6	0.7
<u>22.2</u>	<u>19.6</u>	<u>2.6</u>

H1 2010: Internet revenue



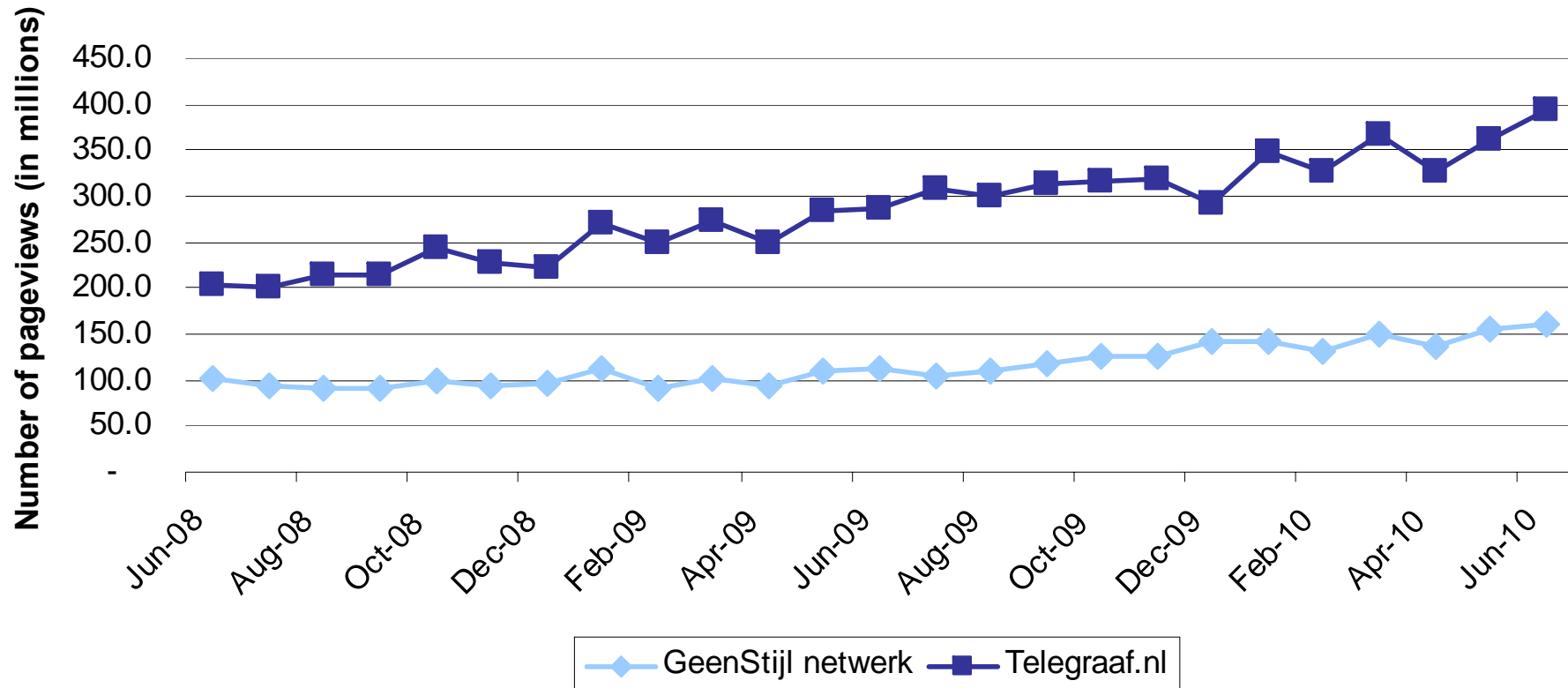
H1 2009: Internet revenue



Internet – Development pageviews by month



Pageviews

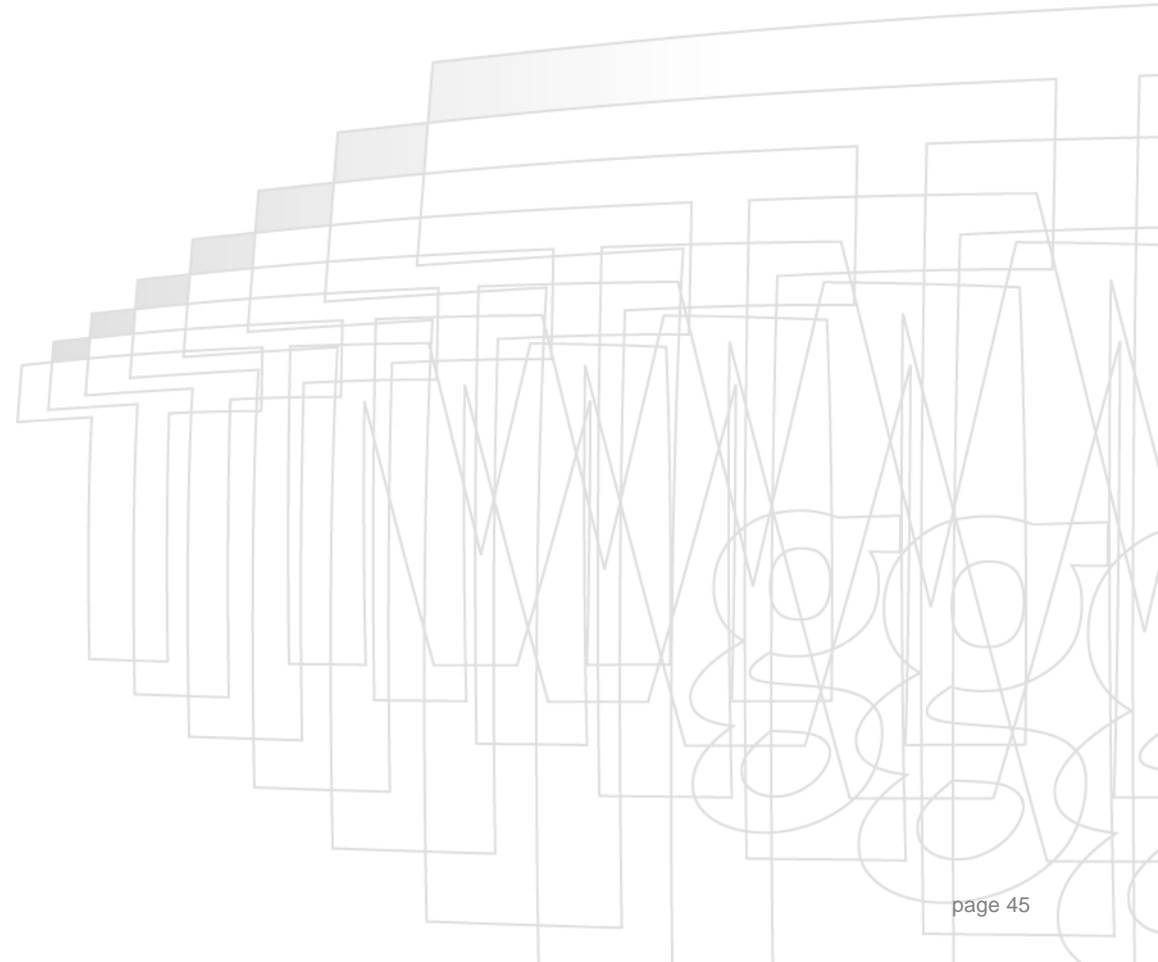


Financial income and expenses (amounts in millions of euros)



	<u>H1 2010</u>	<u>H1 2009</u>
Share in result from associates	8	1
Result from associates	8	1
Interest income	1	1
Financial income	1	1
Interest expenses	1-	1-
Financial expenses	1-	1-
Financial income and expenses	8	1

III ProSiebenSat.1 Media AG (ProSiebenSat.1)



Valuation associated company ProSiebenSat.1 (amounts in millions of euros)



-Initial valuation at 25 September 2008		182.1
-6% minority interest in result ProSiebenSat.1 (25 Sep -31 Dec 2008)	-10.2	
-Impairment loss as at 31 December 2008	-99.8	
	<hr/>	-110.0
-6% minority interest in result ProSiebenSat.1 (2009)	8.7	
-Reversal impairment loss December 2009	56.0	
	<hr/>	64.7
		<hr/>
Carrying value at 31 December 2009		136.8
-6% minority interest in result ProSiebenSat.1 (H1 2010)	5.7	
	<hr/>	5.7
		<hr/>
<u>Carrying value at 30 June 2010</u>		<u>142.5</u>



Valuation associated company ProSiebenSat.1 (continued) (amounts in millions of euros)

Carrying value at 31 December 2009	136.8
Carrying value at 30 June 2010	142.5
	<hr/>
<u>Total effect in P&L</u>	<u>5.7</u>

-Number of ordinary shares with voting rights		13,127,832
-Carrying value TMG per ordinary share at 31 December 2009	EUR	10.42
-Listed price per preferent share at 31 December 2009	EUR	8.06
-Carrying value TMG per ordinary share at 30 June 2010	EUR	10.85
-Listed price per preferent share at 30 June 2010	EUR	12.12

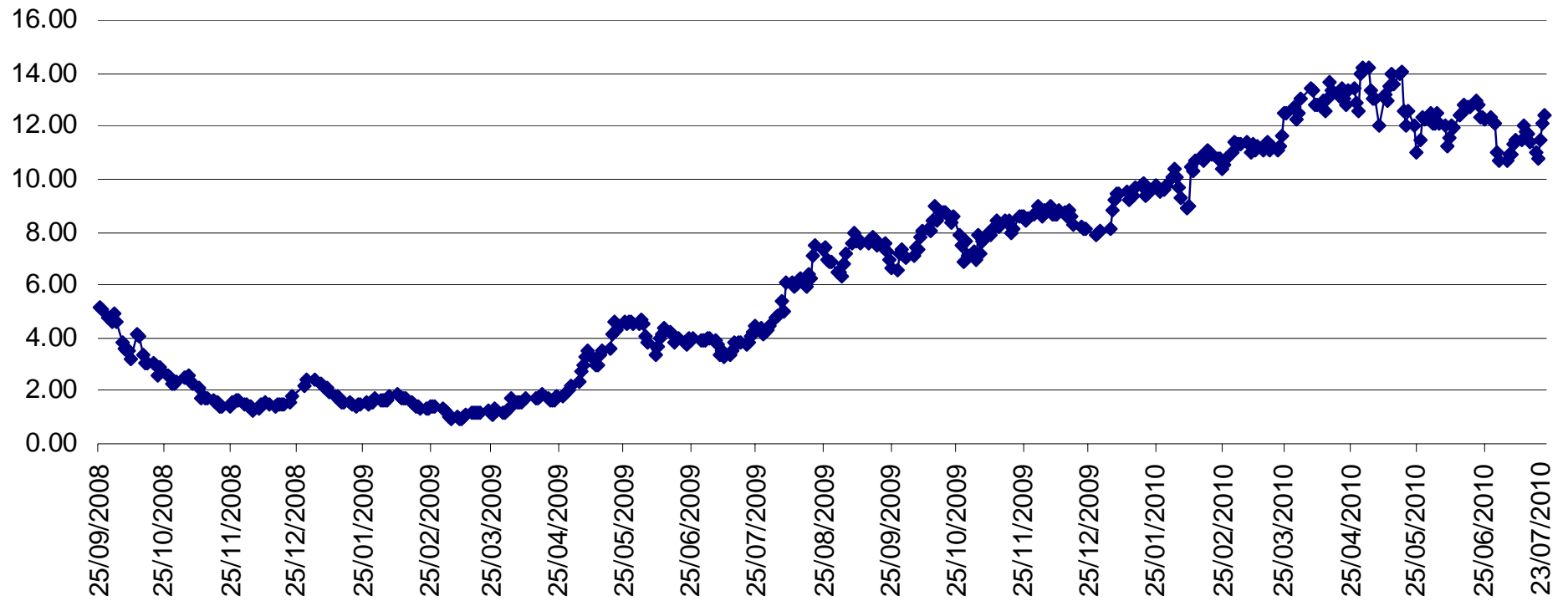
Revenues and earnings ProSiebenSat.1

	<u>H1 2009</u>	<u>H1 2010</u>
Revenues	1,320.9	1,419.0
Recurring EBITDA	295.0	392.4

ProSiebenSat.1 - Stock Price



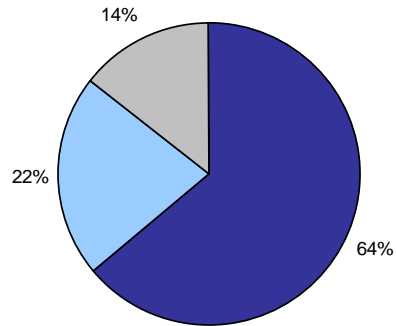
Stock price ProSiebenSat.1



Pro forma Ebita breakdown TMG

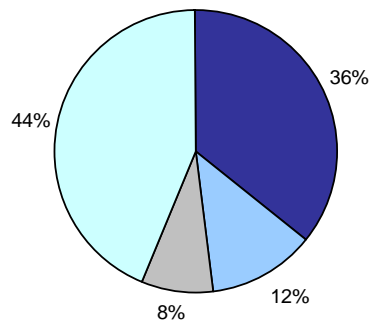


H1 2010: TMG - Recurring EBITA



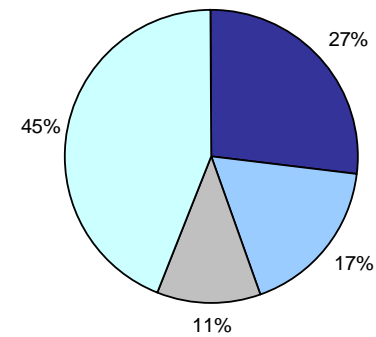
■ Telegraaf Media Nederland ■ Sky Radio Group ■ Keesing Media Group

H1 2010: Proforma TMG recurring EBITA including 6% interest in ProSiebenSat.1



■ Telegraaf Media Nederland ■ Sky Radio Group
 ■ Keesing Media Group ■ Televisie (proforma ProSiebenSat.1)

2009: Proforma TMG recurring EBITA including 6% interest in ProSiebenSat.1



■ Telegraaf Media Nederland ■ Sky Radio Group
 ■ Keesing Media Group ■ Televisie (proforma ProSiebenSat.1)

Summary



↓ Decrease of advertisement revenue;

BUT

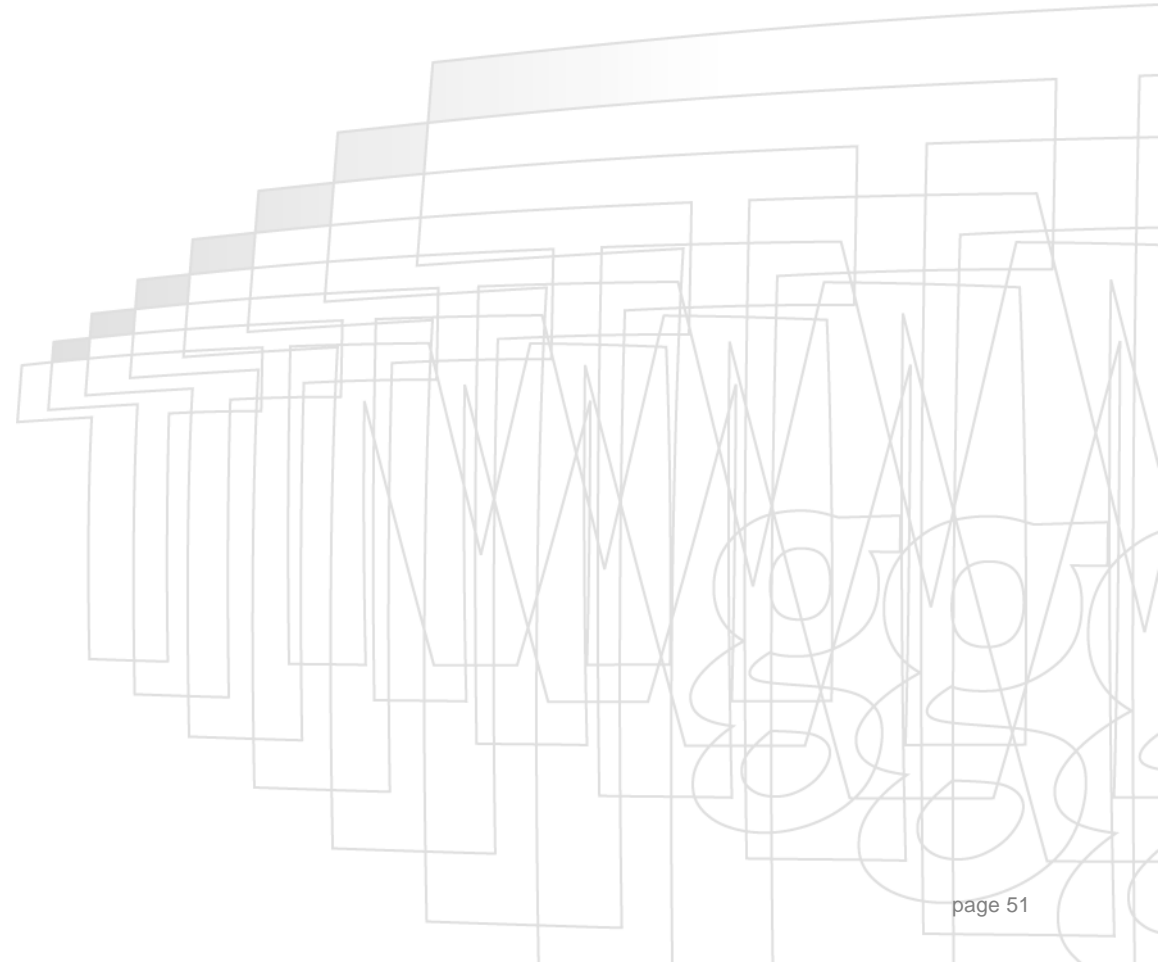
- ↑ Marked cost reductions; and
- ↑ Sharply increased result ProSiebenSat.1; and
- ↑ Market shares have been improved in all segments

AND THEREFORE

- ↑ Sharply improved recurring EBITA result; and
- ↑ Internet platforms to further rollout the online strategy regarding verticals as possible payment models; and
- ↑ Due to a debt free position and cash and cash equivalents of € 52.8 million, an excellent position for further acquisitions.



Q & A





telegraaf media groep

