

aufeminin

aufeminin: 3rd quarter of 2017

Further growth of 5% and sharp improvement in the EBITDA margin to 17.4%

Paris, 19 October, 2017 – Groupe aufeminin (ISIN: FR0004042083, Ticker: FEM), 1st creator of communities, announces its results for the first 9 months of 2017 (to end-September).

Marie-Laure Sauty de Chalon, CEO of aufeminin, comments: "As announced, aufeminin is continuing the in-depth transformation of its business model in order to focus more on programmatic advertising and social e-commerce. The performance recorded in Q3 2017 is a perfect illustration of the results we expect from our strategy. Aufeminin will continue its deployment on these two pillars whilst further rationalising its operating costs in order to achieve a high level of profitability".

Financial summary - published data

€ millions – IFRS	Q3 2017	Q3 2016	Δ	30/09/2017	30/09/2016	Δ
Revenues	25.6	24.4	+5%	79.3	75.5	+5%
of which: France	13.1	11.3	+17%	38.2	36.0	+6%
of which: International	12.5	13.1	-5%	41.1	39.5	+4%
EBITDA*	4.5	3.7	+20%	13.3	16.1	-17%
<i>as a % of revenues</i>	17.4%	15.2%		16.8%	21.3%	
Operating profit	3.2	1.7	+93%	8.7	11.1	-21%
<i>as a % of revenues</i>	12.5%	6.8%		11.0%	14.7%	
Net profit group share	3.5	0.6	+500%	5.4	6.5	-18%

* EBITDA: Earnings before Interest, Taxes, Depreciation and Amortisation and other non-recurring operating income and expenses.

Third quarter revenues up +5% In the 3rd quarter of 2017, the aufeminin group recorded revenues of €25.6 million, up 5%. Over the 9 months to end-September, the Group thus recorded revenues of €79.3 million, also up 5%. Continuing the trends observed over the first half of the year, the Group saw mixed fortunes depending on the brands and the countries involved.

- on the French market, the excellent 3rd quarter performance, for both aufeminin and de MyLittleParis, with revenues up +17% to €13.1 million, fuelled the +6% growth recorded over the first 9 months of the year. This growth was driven by both aufeminin and MyLittleParis' significant acceleration in Programmatic Display Advertising and social e-commerce;

- International activity generated revenues of €12.5 million, a decrease of -5%. Over the first 9 months of the year to end-September, International revenues increased by +4% to €41.1 million. The weakness of the European markets, on which the Group's brands are being repositioned, was more than offset by the fine performances recorded on the other international markets, and notably e-commerce activities in Japan.

Sharp improvement in profitability in Q3 2017

Total core operating expenses increased by just +2% in the 3rd quarter, thanks to a -4% decrease in staff costs while other operating expenses increased in line with activity.

Following a number of quarters of significant expenses increases, due to the ambitious transformation of its business model, the Group stabilizes its operating costs.

Hence the growth in Programmatic Display Advertising and social e-commerce revenues combined with the limited increase in operating costs allowed the Group to record EBITDA of €4.5 million in Q3, an improvement of 20%, and a 200 bp improvement in the EBITDA margin to 17.4%, versus 15.2% in Q3 2016. This 3rd quarter financial performance fully reflects the positive effects expected from the change in the businesses mix supported by a rationalisation of operating expenses both in France and abroad.

However, over the first 9 months of the year, profitability was still affected by the investments required to pursue this business model transformation. Core expenses totalled €66 million, up 11%, and EBITDA was €13.3 million, giving a margin of 16.8%.

Once amortisation and depreciation are taken into account, as well as other non-recurring expenses, 3rd quarter operating profit almost doubled to €3.2 million, giving a margin of 12.5% compared with 6.8% in Q3 2016. Over the first 9 months of the year to the end of September, the Group recorded an operating profit of €8.7 million, giving a margin of 11%.

The detailed income statement can be found in the appendix

Next publication: 2017 annual revenues, on 25 January, 2018

About aufeminin

1st creator of communities, the Groupe aufeminin provides an editorial and community-based offer covering mainly : Fashion, Beauty, Parenthood, Cooking, News, Entertainment, etc.

With media brands such as aufeminin, Marmiton, My Little Paris, Merci Alfred, Onmeda, Zimbio.com, Livingly.com and Stylebistro.com, the Group is present in more than 20 countries in Europe, North Africa, North America and Latin America.

With a global audience of 133 million monthly visitors (1), the Groupe's presence is gaining momentum on all platforms such as mobile, videos and social networks and strengthens its diversification strategy through ecommerce, programmatic and brand publishing pillars.

The Groupe aufeminin, which is 78.43% owned by the Axel Springer group, is listed on compartment B of Euronext Paris (ISIN: FR0004042083, Ticker: FEM). In 2016, the Group recorded revenue of €107 million and an EBITDA of €24.7 million.

[1] Source: Google Analytics, Groupe aufeminin - without deduplication – August 2017

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Appendix

DETAILED INCOME STATEMENT

€ millions – IFRS	30/09/2017	30/09/2016	Δ
Revenues	79.3	75.5	5%
Staff costs	-22.7	-20.6	
Operating expenses	-43.3	-38.8	
EBITDA ⁽¹⁾	13.3	16.1	-17%
<i>as a % of revenues</i>	<i>16.8%</i>	<i>21.3%</i>	
Other operating expenses and income	-0.8	-2.8	
Amortization & provisions	-3.7	-2.1	
Operating profit	8.7	11.1	-21%
<i>as a % of revenues</i>	<i>11.0%</i>	<i>14.7%</i>	
Financial income/loss	0.1	0.0	
Corporate tax	-3.0	-4.1	
Minority interests	-0.6	-0.5	
Attributable net profit	5.4	6.5	-18%
<i>as a % of revenues</i>	<i>6.8%</i>	<i>8.7%</i>	

(1) EBITDA: Earnings Before Interest, Taxes, Depreciation, Amortization and other non-recurring operating incomes and expenses.