



EUROPACORP

PRESS RELEASE

ANNUAL REVENUE 2009/10: €181.3m (+41.1%)

- Very significant revenue increase following the growth in investment, with 18 films distributed during the financial year
- International sales have risen sharply with 44.1% of 2009/10 annual revenue
- Confirmation of a decrease in the operating margin before overhead costs for 2009/10 due to disappointing performances for distribution in France

Paris, 27 May 2010 – EUROPACORP (FR0010490920), film producer and distributor and one of Europe's leading independent film studios, today announces the unaudited consolidated annual revenue for its financial year which ended on 31 March 2010.

• Fourth quarter and annual revenue

Revenue* (€ million)	Q4 2009/10	Q4 2008/09	12 months 2009/10	12 months 2008/09	Δ 12 months %
International sales <i>% of Revenue</i>	57.0 65.4%	10.1 33.0%	80.0 44.1%	41.0 31.9%	95.1%
Cinemas, France <i>% of Revenue</i>	6.4 7.3%	4.7 15.4%	22.7 12.5%	12.8 10.0%	77.3%
Video, France** <i>% of Revenue</i>	8.7 10.1%	2.9 9.5%	26.2 14.5%	15.2 11.8%	72.4%
Television, France <i>% of Revenue</i>	8.4 9.6%	7.9 25.8%	27.6 15.2%	42.5 33.1%	-35.1%
Subsidies <i>% of Revenue</i>	2.1 2.4%	1.4 4.6%	7.5 4.1%	4.0 3.1%	87.5%
Others activities <i>% of Revenue</i>	4.5 5.2%	3.6 11.8%	17.3 9.5%	13.0 10.1%	33.1%
EuropaCorp Group	87.2	30.6	181.3	128.5	41.1%

* The financial year ends on 31 March

** On financial year 2008/09, the VoD figures were included under the heading Television, France. From financial year 2009/10, they are now part of the heading Video, France.

• Fourth quarter revenue

Revenue for the 4th quarter 2009/10 is €87.2 million, a 185% increase compared with that of the previous financial year; Revenue for all headings has increased.

As previously announced, this significant increase in activity is mainly due to the high international sales figures for the quarter. Thanks mainly to *From Paris with Love*, *I love you Phillip Morris* and the success of *Taken* in America, international sales total €57.0 million for the 4th quarter 2009/10 as against €10.1 million for the 4th quarter 2008/09.

Revenue under the heading "Cinemas, France" has benefited from on-going admissions for *Arthur and the Revenge of Maltazard* and *The Whistler* and from the successful start of *22 Bullets*, which was released on 24 March 2010.

Thanks to the release of the *Arthur and the Revenge of Maltazard* DVD at the end of the quarter and the increasingly successful catalogue, revenue under the heading "DVD, France" of €8.7 million is significantly higher than that of the 4th quarter of the previous financial year.

"Television, France" revenue is primarily generated from the opening of two broadcast windows for *District 13 - Ultimatum* and *Transporter 3*. The heading "Other activities" (€4.5 million) mostly comes from licenses and partnerships.

• Evolution in revenue by quarter

Revenue (€ million)	2009/10				2008/09			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
International sales	3.1	13.2	6.7	57.0	2.0	2.8	26.2	10.1
Cinemas, France	1.5	1.0	13.8	6.4	1.5	1.1	5.5	4.7
Video, France	6.2	5.1	6.1	8.7	1.7	4.9	5.6	2.9
Television, France	6.0	3.3	10.0	8.4	18.2	8.8	7.6	7.9
Subsidies	1.1	1.2	3.1	2.1	0.3	0.6	1.7	1.4
Others activities	2.4	3.0	7.4	4.5	3.3	3.7	2.3	3.6
EuropaCorp Group	20.4	26.7	47.0	87.2	27.0	22.0	49.0	30.6

• Annual revenue

Following the rise in investments over the last two financial years, annual activity has increased considerably with the distribution of 18 films compared with 10 for the previous financial year.

- International sales total €80.0 million, and account for 44.1% of EuropaCorp's total sales as compared with 31.9% in 2008/2009, and 25.2% in 2007/2008. This is therefore an all time record for EuropaCorp in terms of activity generated overseas, and actually confirms the relevance of its strategy mainly aimed at the international market.
- French cinema revenue has risen sharply to €22.7 million, with a particularly full line-up of 18 films released in cinemas during the financial year; however the Group had unequal performances with certain French releases.
- Revenue under the heading "Video, France" has also seen a sharp increase to €26.2 million due to the centering of the marketing and business strategy.
- Television activity has decreased, a direct result of fewer broadcast windows being opened during the financial year.
- "Other activities" have increased mainly due to the income generated through partnerships.

• Recent events

As previously announced and in order to strengthen its recurring revenue, EuropaCorp confirmed its interest in producing TV drama with the announcement of its acquisition of CIPANGO in the middle of April 2010. With this highly significant partnership in place, EuropaCorp intends adapting some of its own brands for the television market thus generating an additional and highly regular income stream which complements its existing activities. EuropaCorp also recently announced that production had started for the TV version of its *Transporter* and *Arthur* franchises, respectively co-financed and produced by Lagardère Entertainment and Zagtoon.

Moreover, EuropaCorp is one of the 90 securities selected by Euronext to be eligible for the DSO "long only" from 26 May 2010. As the list of eligible securities is based on their daily volume of trade, this announcement confirms growing liquidity of EuropaCorp shares.

- **Perspectives**

As announced on 15 April 2010, notably due to the disappointing performance of certain film releases in France and taking into account the prudential amortization rules applied by the Group (on average approximately 60% of the cost of the film in the 1st year), the operating margin before overheads should be particularly reduced. However these films will help to increase the value of EuropaCorp's catalogue.

In the medium term, the Group intends to further develop its activity in the international market. In the summer of 2010, shooting of two new films with a high international potential will therefore begin, including *Lock-Out*, a science-fiction thriller directed by Stephen St Leger and James Mather. These two productions will be released during the 2011/12 financial year. For this year, EuropaCorp aims to put together a line-up with 50% English-language films.

- **Next publication**

23 June 2010: Consolidated annual results 2009/10

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