



Paris, 17 March 2011

2010 earnings

STRONG GROWTH IN EARNINGS

46.4 million euros in current EBIT: +76.4%

32.3 million euros in net income Group share: +308.9%

Proposal to pay out a dividend of 0.3 euros per share

12 months to 31 December In million euros	2010	2009 ^(R)	Change
Revenues excluding dissimilar barter	343.6	330.0	+4.1%
Revenues including dissimilar barter	350.0	337.5	+3.7%
Current EBIT excluding dissimilar barter	46.7	28.5	+63.9%
Current EBIT	46.4	26.3	+76.4%
Net income Group share	32.3	7.9	+308.9%

In million euros	31 Dec 2010	31 Dec 2009	Change
Net cash position*	108.9	117.6	-7.4%
Shareholders' equity (Group share)	475.8	454.9	+4.6%

* Current cash net of current and non-current financial liabilities

(R) – NRJ GROUP has made accounting changes with non-significant impacts on the historical income statement and balance sheet

In 2010, NRJ GROUP achieved strong growth in its earnings.

The strong growth in current EBIT excluding barter reflects the performance by media activities in France (Music Media and Events and Television), as well as the increase in the contribution made by the Broadcasting business. This growth has more than offset the negative impact relating to the end of the musical Cléopâtre following its final performances in January 2010.

The NRJ GROUP's **consolidated revenues** (excluding dissimilar barterers) came to 343.6 million euros in 2010, compared with 330.0 million euros in 2009, up 4.1%. On a comparable basis and at constant exchange rates, this growth comes out at +3.8%. This change reflects the end of Cléopâtre following the musical's final performances in January 2010. Excluding Cléopâtre, the Group's revenues rose 11.8% in 2010. Revenues on purely media activities in France (radio, internet and television) increased by 11.9% in 2010 (including +12.1% growth in the fourth quarter).

Current EBIT excluding barterers came to 46.7 million euros in 2010, compared with 28.5 million euros in 2009, climbing 63.9%. Excluding Cléopâtre, current EBIT excluding barterers totalled 46.4 million euros in 2010, up 82.0% compared with 25.5 million euros in 2009.

After factoring in income from barter operations, **current EBIT** totalled 46.4 million euros in 2010, up 76.4% in relation to the 26.3 million euros recorded in 2009.

After taking into consideration negative non-current operating income and expenses for 0.2 million euros, as well as the 0.6 million euros in positive financial income, the 13.1 million euro income tax charge, the share in negative income from affiliates for 1.3 million euros, and a share attributable to minority interest for 0.1 million euros, **net income Group share came to 32.3 million euros in 2010, compared with 7.9 million euros in 2009, an increase of 308.9%.**

At 31 December 2010, the **net cash position** represented 108.9 million euros, down 8.7 million euros in relation to 31 December 2009. More specifically, the increase in operating cash flow is offset by a higher level of tax payments, an acceleration in programme stock purchases for the Television division, an increase in investments, particularly for the Broadcasting business, and the resumption of dividend payments by the NRJ GROUP.

In light of the significant growth in earnings and the strong net cash position at 31 December 2010, the Board of Directors will be submitting a proposal at the general shareholders' meeting on 12 May to pay out a **dividend** of 0.3 euros per share (versus 0.2 euros per share in 2009, up 50%). If voted by the general shareholders' meeting, the dividend will be paid on 20th May 2011.

Breakdown of revenues and current EBIT (excluding barterers) for each business

12 months to 31 December In million euros	2010	2009	Change
Music Media and Events	206.1	197.9	+4.1%
Television	62.5	43.9	+42.4%
International Business	36.2	33.0	+9.7%
Broadcasting	33.9	28.4	+19.4%
Shows and Other Productions	4.9	26.8	-81.7%
Revenues excluding dissimilar barterers	343.6	330.0	+4.1%
Dissimilar barterers	6.4	7.5	-14.7%
Revenues including dissimilar barterers	350.0	337.5	+3.7%

12 months to 31 December In million euros	2010	2009	Change
Music Media and Events	50.1	39.0	+28.5%
Television	(6.4)	(15.8)	-59.5%
International Business	(2.0)	(2.0)	0.0%
Broadcasting	6.5	5.5	+18.2%
Shows and Other Productions	0.9	4.0	-77.5%
Other business	(2.4)	(2.2)	+9.1%
Current EBIT excluding dissimilar barterers	46.7	28.5	+63.9%
Income from dissimilar barterers	(0.3)	(2.2)	-86.4%
Current EBIT	46.4	26.3	+76.4%

Music Media and Events

In 2010, in a media market that returned to growth following a historically difficult year in 2009 due to the economic crisis, the Music Media and Events division recorded 206.1 million euros in revenues, compared with 197.9 million euros in 2009, an increase of 4.1%.

Alongside revenue growth, the Group has maintained its efforts to effectively manage the level of expenses for the Music Media and Events division, following on from the major savings achieved during the second half of 2008 and throughout 2009. In this way, operating expenses totalled 156.0 million euros in 2010, some 2.9 million euros lower than in 2009. This change reflects a 3.8 million euro reduction in expenses during the first half of 2010 and a 0.9 million euro increase in expenses during the second half of the year.

In this way, the Music Media and Events division recorded 50.1 million euros in current EBIT excluding barter for 2010, up 11.1 million euros or 28.5% from 39.0 million euros in 2009.

The two latest audience surveys have confirmed the strong upturn in audience figures for NRJ's station, achieving its highest rates of growth to date⁽¹⁾. With 5.4 million daily listeners, NRJ is France's number two radio station, coming in ahead of France Inter and Europe 1⁽²⁾. In total, the Group's four stations are listened to by 11.6 million people each day⁽³⁾, while the NRJ GLOBAL sales department is confirming its leading position on the key commercial target of 25 to 49 year olds⁽⁴⁾.

In addition, NRJ GROUP is number one in terms of radio application downloads on the iPhone and iPad, with more than 2.7 million applications downloaded⁽⁵⁾.

Source: Médiamétrie, 126,000 Radio, Monday-Friday, 5am-midnight, 13 year olds and over

(1) Audience share and aggregate audience growth for Sep-Oct and Nov-Dec 2010 vs Sep-Oct and Nov-Dec 2009 respectively, historical: 126,000.

(2) Nov-Dec 2010, aggregate audience: NRJ 5,428,000 listeners, France Inter 5,245,000 listeners, Europe 1 4,645,000 listeners.

(3) Nov-Dec 2010, aggregate audience.

(4) Nov-Dec 2010, aggregate audience and audience share.

(5) Source iTunes connect at end February 2011

Television

The Television business recorded strong growth, with revenues climbing 42.4% from 43.9 million euros in 2009 to 62.5 million euros in 2010. This change factors in a negative scope effect, following the disposal of the 7L channel in Montpellier on 30 June 2010. Excluding 7L, revenues would be up 43%.

This growth has been driven by the development of the digital terrestrial television market and the planned phasing out of the analogue signal, combined with the increase in audience levels for the Group's channels:

- NRJ 12, at the heart of the 25 to 49 year olds target, had an average annual national audience share of 1.9% in 2010, compared with 1.5% in 2009, an increase of 27%. In February 2011, NRJ 12 posted a national audience share of 2.2% (source: Médiamétrie Médiamat consolidated audience, target 4 year olds and over)
- NRJ PARIS was the leading local channel in the Paris Region in 2010, with over 1 million weekly viewers according to the Médiamétrie Etude survey on local digital terrestrial television channels in the Paris Region from September to December 2010.
- NRJ HITS has confirmed its position as the number one cable-satellite and ADSL TV music channel, with more than 5.7 million viewers each month according to the recent Médiamétrie – Médiamat Thematik Wave 20 survey (from 30 August 2010 to 13 February 2011).

The Television division's expenses rose by 9.2 million euros between 2009 and 2010 to reach 68.8 million euros in 2010, notably as a result of the development of the programming schedule for NRJ 12.

In total, in light of the strong growth in revenues and the increase in operating expenses being kept effectively under control, the Television business continued to significantly reduce its current operating loss excluding barter over 2010. It represented 6.4 million euros in 2010, compared with 15.8 million euros in 2009.

International Business

The International Business division posted 36.2 million euros in revenues in 2010, compared with 33.0 million euros in 2009, up 9.7%. This change factors in a positive scope effect for 0.7 million euros and a positive exchange effect for 0.5 million euros. Like-for-like and at constant exchange rates, 2010 revenues would be up 6.1% in relation to 2009.

Expenses for the International Business division climbed to 38.3 million euros in 2010, coming in 3.2 million euros higher than 2009, with a 2.4 million euro increase linked to the scope and exchange effects.

In total, the 2.0 million euro current operating loss excluding barter in 2010 is stable in relation to 2009. Excluding scope and exchange effects, current EBIT excluding barter would have been negative, coming in at -0.8 million euros.

Broadcasting

The Group's Broadcasting business continued to develop over 2010, particularly set against the gradual phasing out of analogue broadcasting and the transfer to "all digital" on television. In this climate, the Broadcasting division contributed 33.9 million euros to consolidated revenues in 2010, compared with 28.4 million euros in 2009, up 19.4%.

Operating expenses totalled 27.4 million euros in 2010, up 4.5 million euros in relation to 2009, notably reflecting the increase in external expenses for broadcasting (rent, electricity, etc.), the higher level of staff costs on account of growth in the workforce, and the increase in depreciation charges linked to the investment drive required for the development of towerCast, the Group's broadcasting subsidiary.

In total, EBITDA (current EBIT before depreciation and provisions) represented 15.2 million euros in 2010, compared with 13.9 million euros in 2009, while current EBIT excluding barter came in at 6.5 million euros in 2010, versus 5.5 million euros in 2009.

Shows and Other Productions

The **Shows and Other Productions** division posted 4.9 million euros in revenues in 2010, compared with 26.8 million euros in 2009, down 81.7%. This change primarily reflects the impact of the end of the musical Cléopâtre following its final performances at the end of January 2010. In 2010, the musical contributed 2.7 million euros to consolidated revenues, compared with 25.0 million euros in 2009.

Furthermore, revenues from the music label business on the compilations market totalled 2.2 million euros in 2010, double the level recorded in 2009.

The division's expenses are also significantly lower following the final performances of the musical Cléopâtre. In 2010, they came to 4.0 million euros, down 18.8 million euros from the 22.8 million euros booked in 2009.

In total, the division's current EBIT excluding barter totalled 0.9 million euros in 2010, compared with 4.0 million euros in 2009. Cléopâtre contributed 0.3 million euros to current EBIT excluding barter in 2010, compared with 3.0 million euros in 2009.

Other Business

Current EBIT excluding barter for the **Other Business** division, including the balance of expenses for central functions not allocated to the various business divisions, is negative, coming in at 2.4 million euros, compared with a negative contribution of 2.2 million euros in 2009.

Trends and outlook

Over January and February 2011, the Group recorded an increase in its advertising revenues in France, with growth in its radio sales and a strong rate of development for its sales on television in relation to January and February 2010. However, visibility over the full year in 2011 is still limited at this stage.

In 2011, the Group will continue with its efforts to develop audience levels for its radio stations. It will also continue to develop its television division, aiming to break even in terms of its operational results* for this division as a whole in 2011.

**Current EBIT excluding barbers*

Furthermore, the Group will be applying to the French audiovisual supervisory council (Conseil Supérieur de l'Audiovisuel) for the creation of a new national channel on free DTTV.

Additional information:

The NRJ GROUP's corporate and consolidated financial statements for 2010 were approved by the Board of Directors on 17 March 2011. The audit procedures on the corporate and consolidated accounts have been completed. The certification reports will be issued once the necessary procedures have been finalised for the filing of the reference document or the publication of the annual financial report.

The Group will be releasing its first-quarter financials on 3 May 2011
(press release published after close of trading on the Paris stock exchange)
The Group will be holding its general meeting on 12 May 2011 at its registered office

Analyst and Investor Information

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