



Paris, July 28, 2015  
**2015 half-year results - NRJ Group**

**Solid growth in Television revenue (+9.7%)**

Revenue<sup>1</sup>: €185.1 million (+2.0%)

Current operating profit<sup>1</sup>: €14.3 million vs. €15.0 million

**Net profit attributable to the Group: €10.9 million (+25.3%)**

In the first half-year 2015, NRJ Group generated **revenue**<sup>1</sup> of €185.1 million, up 2.0% on the first half-year of 2014.

This can be attributed to a dynamic sales policy for its Media activities and a positive result from its Radio and Television editorial strategy (the cumulative NRJ 12 and CHERIE 25 audience share grew by 0.1 points over one year<sup>2</sup> and 0.7 points, i.e. up almost 37%, since the new editorial strategy was deployed<sup>2</sup>).

**The current operating profit**<sup>1</sup> was €14.3 million, down slightly (-4.7%), and as expected reflects increased costs in editorial and commercial activities.

**The consolidated net profit attributable to the Group** was up 25.3% to €10.9 million and **the net cash surplus**<sup>3</sup> was €156.8 million, up 31.8% on the December 31, 2014 figure.

In millions of euros	H1 2015	H1 2014 <sup>(R)</sup>	Change
<b>Revenue excluding dissimilar barbers</b>	<b>185.1</b>	<b>181.5</b>	<b>+2.0%</b>
Revenue including dissimilar barbers	186.7	183.4	+1.8%
<b>Current operating profit excluding dissimilar barbers</b>	<b>14.3</b>	<b>15.0</b>	<b>-4.7%</b>
Current operating profit	14.2	14.8	-4.1%
Non-current operating income and expenses	(0.2)	(1.1)	+81.8%
<b>Operating profit</b>	<b>14.0</b>	<b>13.7</b>	<b>+2.2%</b>
<b>Net profit attributable to the Group</b>	<b>10.9</b>	<b>8.7</b>	<b>+25.3%</b>
In millions of euros	At June 30, 2015	At Dec 31, 2014 <sup>(R)</sup>	Change
<b>Net cash surplus*</b>	<b>156.8</b>	<b>119.0</b>	<b>+31.8%</b>
<b>Shareholders' equity (Group share)</b>	<b>524.9</b>	<b>510.8</b>	<b>+2.8%</b>

<sup>(R)</sup> Data restated after application of the IFRIC 21 tax accounting standard, backdated to January 1, 2014.

<sup>1</sup> Excluding dissimilar barbers

<sup>2</sup> Médiamétrie, Médiamat, NRJ12+Chérie 25 cumulative audience share, target 4+, performance over one year: June 2015 vs June 2014 and performance June 2015 vs Dec. 2014

<sup>3</sup> Available cash net of financial liabilities linked to financing operations

## REVENUE AND CURRENT OPERATING PROFIT (EXCLUDING BARTERS) BY ACTIVITY

In millions of euros	H1 2015	H1 2014 <sup>®</sup>	Change
<b>Revenue excluding dissimilar barter</b>	<b>185.1</b>	<b>181.5</b>	<b>+2.0%</b>
Music Media and Events	93.3	92.3	+1.1%
Television	41.7	38.0	+9.7%
International Activities	16.7	19.6	-14.8%
Shows and Other Productions	1.6	2.2	-27.3%
Broadcasting	31.8	29.4	+8.2%
<b>Résultat Opérationnel Courant hors échanges dissimilaires</b>	<b>14.3</b>	<b>15.0</b>	<b>-4.7%</b>
Music Media and Events	15.5	15.7	-1.3%
Television	(16.3)	(14.3)	-14.0%
International Activities	5.1	5.0	+2.0%
Shows and Other Productions	0.8	0.5	+60.0%
Broadcasting	9.1	10.1	-9.9%
Other activities	0.1	(2.0)	na

<sup>(R)</sup> Data restated after application of the IFRIC 21 tax accounting standard, backdated to January 1<sup>st</sup>, 2014.  
n/a: not applicable

### MUSIC, MEDIA AND EVENTS (MME): 16.6% OF OPERATING MARGIN

MME's **revenue** was up 1.1% to €93.3 million.

**Radio** recorded a 0.8% increase in revenue, driven by a good sales dynamic in a slowing advertising market. CHERIE FM continued to stand out with a 2-digit increase in advertising revenue for the 2<sup>nd</sup> consecutive quarter.

According to the latest Médiamétrie wave (April-June 2015), NRJ Group remains France's top commercial radio offering<sup>4</sup> with more than 12.1 million listeners<sup>5</sup> tuning in daily to one of the Group's stations. NRJ Group's audience share (AS) grew by 0.3 points over the year<sup>6</sup> to 16.0%. These results allow us to disprove the "atypical" trends in the previous wave (the Group's four radio stations recorded a total increase in AS of 1.6 points over the wave<sup>7</sup>) and to face the 3<sup>rd</sup> quarter 2015 with confidence:

- NRJ is still posting solid results;
- the three adult stations attracted new listeners from one year to the next. CHERIE FM's AS hiked 0.9 points over the year<sup>6</sup> (thanks to the success of its early-morning program) and Nostalgie, France's number 2 music station<sup>8</sup> recorded its best AS figures since January-March 2011.

These audience numbers prove the relevance of the editorial strategy that has been in place for several months and are in line with Group priorities: to increase the contribution from adult radio, and strengthen NRJ's position.

**Digital** continued to grow at a steady 10.3% to €4.3 million, with its profitability up considerably (x2.5) and a current operating profit of €1.0 million. In a quest to speed up the development of its digital offering, the Group has created a new structure: NRJ Digital Solutions, which began by launching a new digital-only brand, NRJ GAMES (website devoted to video games, high-tech and connected objects). Alongside this, NRJ Group held on to the top position for web radio in France and, according to the latest OJD figures, attracted almost 45 million active listens in June<sup>9</sup>. NRJ is the number one web radio brand in France, followed by CHERIE FM with more than 31 million and almost 6 million active listens respectively<sup>9</sup>. NRJ, the top radio app with almost 10 million visits per month<sup>10</sup>, ranks among the 10 most used apps in France. Finally, NRJ was once again crowned the number one mobile radio brand in France<sup>11</sup>.

As already mentioned, the Group is increasing the resources available to its sales and editorial teams in a quest for future growth. **The current operating profit** of the MME division remained virtually unchanged on the 1<sup>st</sup> half-year 2014 at €15.5 million, giving an operating margin of 16.6%.

Source: Médiamétrie, 126,000 radio, April-June 2015, Mon-Fri, 5h-27h, target 13+

<sup>4</sup> AC, AQH and AS (NRJ Global)

<sup>5</sup> AC NRJ GROUP (NRJ GLOBAL): 12,142,000 listeners

<sup>6</sup> Change in AS April-June 2015 vs. April-June 2014

<sup>7</sup> Change in AS (audience share) April-June 2015 vs. Jan-March 2015

<sup>8</sup> AQH and AS

<sup>9</sup> OJD, global internet radio broadcasts, ad hoc ranking of radio groups and networks with the highest digital listening figures in France, NRJ GROUP (44,750,336 active listens of which 80% in France, i.e. 35,800,269), NRJ (31,227,154 actives listens 30+ including 83% in France, i.e. 25,918,538), Chérie FM (5,884,594 active listens 30+ of which 73% in France, i.e. 4,295,754), June 2015

<sup>10</sup> OJD, global ranking, June 2015, based on measured brands, including radio brands, total mobile and tablet visits ranking, NRJ: 9,961,955 visits

<sup>11</sup> OJD, mobile apps rankings, based on measured radio brands, leader ranking by number of unique visitors and visits, June 2015

## TELEVISION

**Revenue** was up 9.7% at €41.7 million, driven by a new growth boost in the 2<sup>nd</sup> quarter (+8.8% in Q1 2015 and +10.5% in Q2 2015). This performance can be attributed to an increase in advertising revenue from each of the three channels (NRJ 12, CHERIE 25 and NRJ HITS).

Since the new editorial project was introduced in early 2015, the cumulative audience share of the two free channels **NRJ 12** and **CHERIE 25** grew by almost 37%<sup>12</sup> to 2.6% in June 2015. These results confirm the pertinence of the editorial strategy and are in line with the 3-year plan which aims to restimulate audience numbers and achieve profitability for the sector in 2017. Circulation of the new NRJ 12 program schedule, planned for September, should further increase audience numbers.

For its part, **NRJ HITS**, the top cable-satellite-ADSL music channel also registered further increases in audience numbers with an average of 5.2 million television viewers per month<sup>13</sup>, thus widening its lead on its immediate competitor<sup>14</sup> (+258%).

In terms of **current operating profit** it recorded a loss of €16.3 million (compared with a loss of €14.3 million in H1 2014). As anticipated, the Television division continued to make a loss due to increased schedule costs and the full impact on revenue is expected to be felt in 2016.

## INTERNATIONAL ACTIVITIES

**Revenue** was €16.7 million (-1.8% excluding Finland<sup>15</sup>), marked by a fall in sales in the German-speaking market (-4.2%), while the French-speaking market continued to perform well (+4.8%). The division continued to develop its licensing activities including the launch of the NRJ brand in Latvia.

Thanks to continued cost control, healthy performance from France (current operating profit : +7.7%) and brand licensing (current operating profit : +16.7%), **current operating profit** remained high at €5.1 million, up 2.0%.

## SHOWS AND OTHER PRODUCTIONS

**Revenue** fell by 27.3% to €1.6 million, affected in particular by sales slowing down in the musical label in a difficult market. **Current operating profit** was €0.8 million, i.e. up €0.3 million.

## BROADCASTING

**Revenue** was up 8.2% at €31.8 million (including 4.4% organic growth). In the 1<sup>st</sup> half-year 2015, the €1.1 million contribution from the radio broadcasting activities of the Lagardère Group (acquired in June 2014) more than compensated for the negative impact of the new pricing conditions applied to contracts renewed on the TNT market. This strong performance can also be attributed to the positive impact of the new TNT broadcasting contracts signed during 2014.

**Current operating profit** fell 9.9% to €9.1 million. The main reasons for this were an unfavorable base effect linked to a €1.1 million non-recurrent item in H1 2014 (cf. 2014 annual results press release), an increase in costs principally due to the suspension of phases 12 and 13 of the TNT HD roll-out in France and falling prices which eroded the margin.

**EBITDA**<sup>16</sup> was €16.2 million in H1 2015, up 6.6% on H1 2014.

<sup>12</sup> Médiamétrie, Médiamat, NRJ12+Chérie 25 cumulative audience share, target 4+, June 2015 vs December 2014

Source: Médiamétrie, Médiamat, Thématik, CA, full Wave 29, 4+, Mon-Sun, 3h-27h

<sup>13</sup> Over four weeks viewing threshold 10 consecutive seconds

<sup>14</sup> Extrapolated average rate

<sup>15</sup> Performance calculated on a comparable basis (i.e. H1 2014 restated to take account of Finland revenue which has been posted to "Other income" since 11/01/2014)

<sup>16</sup> Current operating profit excluding dissimilar barbers before amortization and depreciation

**Outlook: steady increase in audience numbers**

NRJ Group confirms that, in 2015, it aims to pursue the transformation which began at the end of 2014. The Group's prime aim is to increase its Radio and Television audiences in order to improve revenue and profitability. Financial year 2015 will be marked by the roll-out of new editorial programs in Television and an increase in the operating resources made available to its MME and Television divisions.

Broken down by activity:

- MME: increase in resources made available to the sales/editorial teams and development of the digital offering (anticipated increase of over 4% in the division's cost structure);
- Television: schedule cost to increase by 30%/40%;
- International: profitability to increase at a normal rate;
- Broadcasting: the division will adapt to new competitive pressure with annual revenue stabilizing and an anticipated fall in its operating margin in 2015.

This strategy's positive impact on the Group's results will be felt fully from 2016 (anticipated rise in revenue and operating profit). The Group also reconfirms its objective to return the Television division's operations to break-even in 2017.

**Next meetings:** Publication of 3<sup>rd</sup> quarter 2015 financial information on November 5, 2015 (after market).

**Additional information:**

*The summary consolidated accounts for the 1<sup>st</sup> half-year 2015 were approved by the Board of Directors at their meeting on July 28, 2015. A limited audit has been carried out on the summary consolidated accounts. The Statutory Auditors' report will be issued once all formalities required to file the half-year financial report have been completed.*

*The 2015 half-year financial report will be available on the Group's website [www.nrjgroup.fr](http://www.nrjgroup.fr) by July 31, 2015 at the latest.*

**Notice:**

*Some of the information contained in this report may be provisional. This information reflects either trends or objectives and cannot be taken as a forecast of results or any other performance indicator. By its very nature, this type of information is subject to risks and uncertainties which may, in certain cases, be beyond the Company's control. More details on these risks and uncertainties can be found in the Company's Registration Document which is available on its website ([www.nrjgroup.fr](http://www.nrjgroup.fr)) under the tab "Finances & Shareholders".*

#### About NRJ GROUP

NRJ GROUP is one of the leading French private media groups and an international player present in 15 other countries, either directly or under licensing agreements with the NRJ/ENERGY brand, the number one international radio brand, and/or NOSTALGIE/NOSTALGIA. In France, the Group is the private radio market leader and one of the new players on the television market. The Group is also a significant player on the radio broadcasting market, through its subsidiary towerCast, number two on the French broadcasting market. NRJ GROUP is a publisher, producer and broadcaster, and markets its own media spaces. For several years, it has been supported by the strength of its radio media and its NRJ, NOSTALGIE, CHERIE FM and RIRE & CHANSONS brands, as well as its marketing expertise and commercial power for deploying new media, particularly in the Television division, or new ways to access its media, principally the internet, and related activities around partnerships in order to follow and anticipate consumer developments, while offering a wider range of advertising services for its clients.

NRG GROUP shares are listed on the Euronext in Paris (compartment B).  
Codes - ISIN: FR00012169; Reuters: SONO.PA; Bloomberg: NRG FP.

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