



Paris, July 28, 2016
2016 half-year results - NRJ Group

**Radio operations negatively impacted by inaccurate audience figures
Growth in TV operations driven by the division audience records
Increase in net profit**

In millions of euros	HY1 2016	HY1 2015	Change
Music Media and Events	92.5	94.9 [®]	-2.5%
Television	43.7	41.7	+4.8%
International Activities	17.3	16.7	+3.6%
Broadcasting	29.1	31.8	-8.5%
Revenue excluding dissimilar barbers	182.6	185.1	-1.4%
Revenue including dissimilar barbers	184.6	186.7	-1.1%
Music Media and Events	12.0	16.3 [®]	-26.4%
Television	(14.5)	(16.3)	+11.0%
International Activities	5.6	5.1	+9.8%
Broadcasting	6.2	9.1	-31.9%
Other activities	0.5	0.1	na
Current operating profit excluding dissimilar barbers	9.8	14.3	-31.5%
Current operating profit	10.0	14.2	-29.6%
Non-current operating income and expenses	14.3	(0.2)	na
Operating profit	24.3	14.0	+73.6%
Net profit Group share	16.2	10.9	+48.6%
In millions of euros	At June 30, 2016	At Dec.31, 2015	Change
Net cash surplus*	148.1	168.5	-12.1%
Shareholders' equity Group share	546.5	536.0	+2.0%

[®] Restated after aggregation of the segment «Shows and Other Productions» and «Music Media and Events» into a single operating segment.

* Net of the financial debt incurred for Group

na: not applicable

The 28 July 2016 meeting of the Board of Directors of NRJ Group approved the accounts for the first six months of 2016.

The Group's revenue⁽¹⁾ amounted to €182.6 million, 1.4% lower than the revenue for the first six months of 2015.

Current operating profit⁽¹⁾ was €9.8 million.

Operating profit was €24.3 million, and included the impact, net of expenses, of the compensation received for damages to the Group from the stop of broadcasting multiplexes R5 and R8, related to the transfer of the 700 MHz band to mobile telephone operators.

Net profit, Group share was €16.2 million, an increase of 48.6%.

At 30 June 2016, the Group posted a net cash surplus of €148.1 million, down 12.1% from 31 December 2015. This decrease is primarily due to the payment of €27.6 million following a tax audit, which was without material impact on the income statement for the first six months of 2016. The Group may be reimbursed from this sum if it opts to pursue tax litigation before the end of the fiscal year and the court rules in its favour.

MUSIC, MEDIA AND EVENTS (MME): AN ATYPICAL CONTEXT

The MME division posted revenue of €92.5 million, a decline of 2.5% primarily attributable to radio operations.

The half-year results were impacted by the consequences of Fun Radio's practices, which had the effect of artificially increasing its audiences.

Médiamétrie, the main audience measurement company, considered that the messages broadcast through Fun Radio negatively impacted the audience results of the other radios, as measured in the "126 000 Radio" study, as of at least January 2016. Responding to the seriousness of the situation, Médiamétrie decided to publish adjusted results for January-March 2016 (adjusted *a posteriori*) and April-June 2016, and for the Médialocales publication for September 2015-June 2016⁽²⁾. NRJ Group expressed concerns regarding the implementation of the adjustment method retained by Médiamétrie and the adjusted results published on this basis, which could be potentially underestimated.

The practices of Fun Radio directly affect the advertising revenue of NRJ Group's radio operations. Media agencies and advertisers invested on the basis of erroneous audience figures for January-March 2016, and will invest until mid-November 2016 on the basis of the adjusted results for April-June 2016, which are the subject of the aforementioned concerns.

Further analyses are currently being conducted by Médiamétrie and CESP (the French Centre for the Study of Advertising Media) to verify the reliability of the audience figures.

Over the six-month period, revenue from digital operations increased by 14.0%. With over 220 Internet radio stations, in June 2016 the Group posted record growth (+19%⁽³⁾) and was ranked first in the French web radio segment (nearly 42.6 million active listening sessions in France and over 53.1 million in the world⁽⁴⁾). The Group's four radio brands were the top 4 digital radio brands⁽⁴⁾.

Finally, the Group recently created NRJ Digital Ventures, an internal department that will focus on evaluating investments or shareholding in young companies in the digital ecosystem.

TELEVISION: OUTPERFORMANCE ACTIVITY RELATIVE TO THE MARKET

On a still-volatile advertising market, the revenue generated by the Group's TV division rose 4.8% to €43.7 million, driven by audience growth on its DTT channels.

In the second quarter of 2016, the combined audience share of the two free channels was 3.0%, compared to 2.7% in the second quarter of 2015, all audiences included⁽⁵⁾. This audience share, which remained stable at this level throughout the second quarter, represents an all-time record for the division.

In June, **NRJ 12** achieved good performance with a 1.9% audience share among all audiences⁽⁶⁾. Meanwhile, **Chérie 25** once again posted the strongest annual growth, with its audience share amounting to 1.1%⁽⁶⁾, an 83% increase⁽⁶⁾.

NRJ Hits remained the top cable-satellite-ADSL music channel⁽⁷⁾, with nearly 4.9 million viewers each month⁽⁸⁾.

The TV division had a current operating loss⁽¹⁾ of €14.5 million, an improvement of 11.0% compared to the first six months of 2015, with stable scheduling costs.

INTERNATIONAL ACTIVITIES: GOOD GROWTH

Revenue from the Group's international activities rose 3.6% to €17.3 million. All of the division's regions saw positive growth or stable level over the six-month period.

The 9.8% increase in current operating profit⁽¹⁾ to €5.6 million is primarily attributable to an improvement in the German-speaking region.

The Group intends to continue its international development in 2016 through new licensing of trademarks.

BROADCASTING: A COMPETITIVE ENVIRONMENT

The broadcasting division posted revenue of €29.1 million over the first six months of 2016, a decline of 8.5% attributable to a loss of revenue mainly due to the early termination of its broadcasting contracts (multiplexes R5 and R8), with the government transferring some 700 MHz band frequencies to mobile telephone operators.

Against this backdrop, the division posted a current operating profit⁽¹⁾ of €6.2 million.

Taking into account the €18.2 million received in compensation from the French National Frequencies Agency (ANFR) on behalf of the government in February 2016, as well as the associated expenses, non-current operating profit for this activity amounted to €14.3 million.

Next release: Third quarter 2016 financial information: on November 8, 2016 after close of trading.

Additional information:

A limited review has been carried out on the condensed interim consolidated financial statements. The Statutory Auditors' report will be issued once all formalities required to file the half-year financial report have been completed.

The French version of the 2016 half-year financial report will be available on the Group's website www.nrjgroup.fr by July 29, 2016 at the latest.

Notice: Some of the information contained in this financial release may be provisional. This information reflects either trends or objectives and cannot be taken as a forecast of results or of any other performance indicator. By its very nature, such 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) in the "Finances/ Publications financières/ Rapports financiers" section.

Sources :

⁽¹⁾ Excluding dissimilar barbers.

⁽²⁾

<http://www.mediametrie.fr/mediametrie/communiqués/decision-de-mediamedetrie-sur-la-126000-radio.php?id=1488>

<http://www.mediametrie.fr/radio/communiqués/l-audience-de-la-radio-en-france-sur-la-periode-avril-juin-2016.php?id=1498>

Sources: ACPM-OJD, Global digital radio broadcasting, NRJ Group.

⁽³⁾ Annual evolution record, Worldwide datas, June 2016 vs June 2015.

⁽⁴⁾ June 2016, (Worldwide: 53,137,983 active listening sessions + 30 seconds, France: 42,564,758 active listening sessions + 30 seconds).

Sources: Médiametrie, Médiamat, Audience Share (%), Day of viewing, aged 4 years +, Monday to Sunday, 3h-27h.

⁽⁵⁾ (NRJ 12 + Chérie 25), Audience share, Annual change, Q2 2016 vs Q2 2015, excluding information channels.

⁽⁶⁾ June 2016, Annual change, June 2016 vs June 2015 excluding news channels.

Sources: Médiametrie, Médiamat, Thematik, consolidated audience, full wave 31 (January 2016-June 2016), Monday to Sunday, 3h-27h, aged 4 years +.

⁽⁷⁾ Ranking TME.

⁽⁸⁾ Coverage 4 weeks viewing threshold 10 consecutive seconds.

About NRJ GROUP

NRJ GROUP is one of France's leading private media groups in the publishing, production and broadcasting sectors and also markets its own media spaces.

In France, the Group tops the private radio market with its four brands (NRJ, CHERIE FM, NOSTALGIE and RIRE & CHANSONS), is a significant player on the television market where it operates and develops two free national channels (NRJ 12 and CHERIE 25) and a paying channel (NRJ HITS, the number 1 cable-satellite-ADSL music channel) and, through its subsidiary towerCast, ranks number two on the French broadcasting market. Backed by its strong brands, marketing expertise and commercial performance, the Group has expanded its digital offering in recent years (8 websites, over 220 Internet radio stations and 7 mobile apps) to offer a wider range of advertising services to its clients and to monitor and anticipate future media consumption. Today, NRJ Group is the number 1 Internet radio group in France.

On the international market, the Group is present in 14 other countries, either directly or through NRJ/ENERGY, the number one international radio brand, and/or NOSTALGIE/NOSTALGIA licensing agreements.

NRJ GROUP shares are listed on Euronext in Paris (compartment B).

Codes - ISIN: FR000121691; Reuters: SONO.PA; Bloomberg: NRG FP.

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