

15 May 2009

2009 first quarter result for TMG (Telegraaf Media Groep N.V.)

- Revenues decline 9.6% to €146.9 million.
- Advertising revenues significantly lower due to persistently difficult market conditions.
- Circulation revenue rose by €0.8 million.
- €7 million in operating cost savings, primarily due to a reduction in personnel costs; current FTE reduction programme is on schedule.
- EBITA margin: 3.2% (first quarter 2008: 6.9%).
- Cash position up €9.2 million.

For the first time ever, TMG (Telegraaf Media Groep N.V.) is publishing a interim report this quarter and, to avoid any misunderstanding, states that business activities are subject to seasonal fluctuations. During the first and third quarter of the year, advertising revenues are normally lower than during the remainder of the year. The single-copy sales of De Telegraaf and the Keesing Media Group's publications are significantly higher in the third quarter. The fourth quarter is normally the most important quarter for advertising revenues.

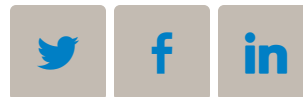
2009 Priorities

No signs of recovery were as yet apparent in the Dutch advertising market during the first quarter of 2009. TMG's advertising revenues consequently declined on slightly increased circulation revenues. Just as in the previous period, reducing fixed costs and achieving maximum synergy through collaboration therefore remains key for TMG to be able to adapt to the current economic circumstances where possible. Independent from this, the company is also working on the disposal of non-performing or inadequately performing activities and completing disposals currently underway. In addition, the company is also working on the outsourcing of non-core activities. Furthermore, maintaining and improving the current portfolio's market position, including potential growth opportunities through acquisitions (especially in the digital

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domain), has high priority.

Financial

The consolidated income statement is reported on the basis of continued operations. The result from terminated business operations is presented separately for the first quarter of 2009, as well as the first quarter of 2008. This concerns the activities of the Swedish organisation that was sold in 2008, Carp's print operations (terminated in December 2008), activities in the Ukraine (terminated in March 2009) and the so-called activities designated as held-for-sale, including several magazine titles in the Netherlands and the narrowcast activities of Media Librium.

The **(EBITA)** operating result normalised to account for exceptional expenses and revenues declined from €11.3 million to €4.7 million, primarily due to a decline in advertising revenues. This resulted in an EBITA margin of 3.2% of revenues for the first quarter 2009 (first quarter 2008: 6.9%).

Revenues		
	Period	Period
<i>Amounts in thousands of euros</i>	1/1 - 31/3 2009	1/1 - 31/3 2008
Advertising	65,041	78,824
Circulation	67,785	67,003
Printing third parties	906	1,402
Distribution	4,422	7,985
Other revenues	8,737	7,320
Total	146,891	162,534

Net revenues during the first quarter 2009 decreased by 9.6% to €146.9 million as a result of significantly lower advertising revenue and the loss of an external distribution contract effective 1 January 2009. Income from circulation rose by €0.8 million. Internet revenues increased significantly, in part due to the new gaming activities of the

Keesing Media Group and other acquisitions. Internet activities rose to €9.3 million (first quarter 2008: €8.0 million).

The **cost of raw materials** and supplies declined by €1.3 million due to a decrease in the use of paper.

Personnel costs in total decreased by €5.4 million, including a reduction in the cost of hiring temporary personnel in the amount of €2.6 million. The projects initiated concerning the - in 2008 announced - reductions of personnel with almost 500 fte are on schedule. So far the number of FTEs decreased by approximately 300.

Net financial income and expenses decreased by €5.5 million to minus €0.4 million. Revenues from the sale of the interest in SBS Broadcasting S.a.r.l. in the first quarter 2008 were invested in a term deposit account that at the time produced interest revenues of approximately €5 million.

Approximately €377 million was **invested** in ProSiebenSat.1 Media AG on 25 September 2008. **The result of associated companies** includes the 6% TMG share in the result of ProSiebenSat.1 Media AG for the first quarter 2009 in the amount of € 0.1 million negative.

The **result from discontinued operations** increased by €2.9 million to €0.8 million negative during the first quarter 2009 due to the sale and termination of operations in Sweden and the Ukraine and Carp's print operations, as well as due to the result of the sale of participations. The title JAN was sold in February 2009. The sale of the remaining titles of the Telegraaf Tijdschriften Groep (excluding VROUW, Privé and Autovisie) was completed during the second quarter of 2009.

Cash position

The cash position during the first quarter 2009 increased by €9.2 million due to a more than €8 million positive cash flow from business operations (income tax refund and tighter control over working capital) and the proceeds from the sale of a magazine.

The cash position is expected to be positively affected in the second quarter of 2009 by the sale of the passenger car fleet to Terberg Leasing B.V. and the abovementioned sale of magazines and participations. In addition, the dividend of €0.35 over 2008 per share has been paid during the second quarter of 2009. This represents a cash outflow of more than €16.7 million.

Prospects

Declining revenues in 2009 will be accompanied by declining costs due to the lower cost of raw materials and the impact of the initiated personnel reductions. In spite of all measures taken by TMG, its operating result is

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