



## MEDIAWAN: HALF-YEAR RESULTS TO JUNE 30, 2017

### A FIRST HALF OF ACHIEVEMENTS

- **Creation of an independent European audiovisual content group**
- **Numerous operational developments and good financial performance: revenue of €86.8 million and EBITDA of €21.5 million (pro forma<sup>1</sup>)**
- **Consolidated cash position of €104 million**
- **2017 objectives reaffirmed for the “Groupe AB” scope**

**Paris, September 26, 2017, 6 pm CEST - Mediawan** (Ticker: MDW - ISIN: FR0013247137), an independent European audiovisual content platform, announces its results for the first half 2017, as approved by the Board of Directors on September 25 after a limited review by the auditors.

Pierre-Antoine Capton, Mediawan’s Chairman, says: “*Mediawan has experienced a very eventful first half of the year that notably included the acquisition of Groupe AB, the first step in the construction of an independent European audiovisual content and media group. The audiovisual content market is very dynamic, with strong demand from traditional and digital media. Our organization and our philosophy, combined with a solid financial structure, make Mediawan a pivotal player in the anticipated consolidation of the European production market, and our know-how as a producer and distributor is one of the major assets that will drive Mediawan’s growth in the coming years.*”

#### Key financial indicators: reported and pro forma<sup>1</sup>

€ millions	H1 2017	H1 2017 - PF <sup>1</sup>
<i>Channels &amp; Digital</i>	27.2	54.2
<i>Production &amp; Distribution</i>	11.3	32.6
<b>Revenue</b>	<b>38.6</b>	<b>86.8</b>
<i>Channels &amp; Digital</i>	4.4	7.6
<i>Production &amp; Distribution</i>	7.2	15.5
<i>Overheads</i>	(1.6)	(1.6)
<b>EBITDA*</b>	<b>10.0</b>	<b>21.5</b>
<b>Current EBIT</b>	<b>9.0</b>	<b>19.6</b>

	30/06/2017	31/12/2016
<b>Net financial debt</b>	<b>(33)</b>	<b>251</b>
<b>Consolidated cash position</b>	<b>104</b>	<b>251</b>
<b>Shareholders’ equity</b>	<b>214</b>	<b>244</b>

\* **EBITDA**: earnings before interests, taxes, depreciation & amortization (excluding amortization of audiovisual rights which are included in the EBITDA)

<sup>1</sup> Reported results include 3 months of Groupe AB’s activity, the latter being consolidated since its acquisition on March 31, 2017. Pro forma indicators are calculated consolidating Groupe AB from January 1, 2017.



## **Creation of an independent European audiovisual content group**

### ○ Acquisition of Groupe AB

In early 2017, Mediawan carried out its first structuring operation with the acquisition of Groupe AB, thus creating the foundations for an independent European audiovisual content and media group. After contractual adjustments on the basis of closing accounts, the definitive acquisition price was €280.0 million.

Founded in 1977, Groupe AB is a leading independent editor, producer and distributor of audiovisual content in French-speaking Europe that is involved in producing and distributing TV series, TV movies, cartoons and documentaries and in editing a portfolio of 19 television channels and associated digital services focusing on major topics and brands.

### ○ Further investments

Mediawan, via Groupe AB, completed the acquisition of an 80% stake in CC&C, a company that specializes in the audiovisual production of historical documentaries, from its founding partners. CC&C has notably created a collection of historical documentaries built around the “Apocalypse” brand that has been enjoying record viewing figures in France and 165 other countries.

In July 2017, the Group also acquired the remaining 35% of minority interests in channel RTL9 that it did not already own from RTL Group.

In order to support its development objectives and be capable of continuing its organic and external growth initiatives, Mediawan has also strengthened its managerial structure, and appointed Orla Noonan – CEO of Groupe AB – to its Strategic Committee.

## **Operational developments and fine business performance**

### ○ Numerous operational developments

Since the start of the year, the Group has launched numerous initiatives in order to accelerate growth on its two business segments.

On the “**Channels & Digital**” segment, the Group launched the TV channel ABXplore in Belgium. This new channel, which consolidates the Group’s position in that country, is dedicated to entertainment documentaries and focuses on themes such as adventure, automotive and extreme jobs. Furthermore, the Group has extended its partnership with Sciences & Vie to launch the “Mon Sciences&Vie Junior” app, and has also launched specific Swiss commercial windows for TV channel AB3.

On the “**Production & Distribution**” segment, the new “Zone Blanche” series broadcast on France 2 has stood out both in France and abroad, and the second season is already being written. In distribution, the “Missions” sci-fi series has been sold to AMC Networks (SVOD rights for certain territories, including the United States), which will co-produce season 2. Moreover, the Group has acquired all of the distribution rights in French-speaking Europe for TV series “Babylon Berlin”, a high-end international co-production that scooped the MIPdrama Screenings Grand Jury prize in 2017.

- A good first half: revenue of €86.8 million and an EBITDA margin of 25% (data and comments on a pro forma basis: integration of Groupe AB on January 1<sup>st</sup>)

### **Channels & Digital:**

- Revenue from the Channels & Digital segment totaled €54.2 million, slightly up on the figure of €53.4 million recorded in the same period of 2016, driven by the increase in royalty revenue and the dynamism of the advertising market, notably in France – partly offset by the decrease in the rebilling of the costs of transport and technical services.
- EBITDA saw a substantial rise of +24% to €7.6 million, thanks to first-half revenue growth and the Group’s ability to control its direct costs.



### **Production & Distribution:**

- The Production & Distribution segment recorded a +6.2% increase in revenue to €32.6 million, thanks to the growth in distribution sales in H1 2017 and to the delivery of a number of audiovisual programs over the period.
- EBITDA for this segment was €15.5 million, down -11% compared to the first half of 2016 because of the twofold effect of (i) a low amortization level in 2016 (associated with the sales mix) and (ii) cautious assumptions regarding the amortization of the production costs of programs delivered in H1 2017.

### **Solid financial structure – Net financial debt of €33 million as of end-June 2017**

As of June 30, 2017, Mediawan had a consolidated cash position of €104 million and a financial debt of €137 million, mainly corresponding to the €130 million bank loan (amortized over 5 years) raised for the acquisition of Groupe AB.

Compared to the cash position of €251 million at year end 2016, the main change in net financial debt is related to the impact of the acquisition of Groupe AB for -€289 million.

### **2017 objectives reaffirmed**

As a reminder, Mediawan's revenue and results are notably correlated to the number and timing of audiovisual programs delivered and broadcasting rights opening for the client. These factors can lead to significant variations in the Group's results from one period to the next, and consolidated half-year results are not representative of future annual results.

However, first-half activity and results and second-half prospects allow the Group to reaffirm its 2017 objectives for the "Groupe AB" scope, i.e. revenue and EBITDA of respectively €163 million and €37 million.

This guidance for the "Groupe AB" scope does not include the contribution of recent acquisitions (notably the acquisition of CC&C on July 20, 2017) nor overheads and M&A costs.

**The half-year financial report is available at [www.mediawan.fr/investor-relations/#regulated](http://www.mediawan.fr/investor-relations/#regulated)**

**Next financial press release:** Q3 2017 revenue, on November 13, 2017 (after market close).

### **About Mediawan**

Mediawan was incorporated in December 2015 as a Special Purpose Acquisition Company (SPAC) for the purpose of acquiring one or more operating businesses or companies in the traditional and digital media content and entertainment industries in Europe. The Company was formed by Pierre- Antoine Capton, Xavier Niel and Matthieu Pigasse, and raised €250 million in April 2016 from an initial public offering on the regulated market of Euronext Paris.

In March 2017, Mediawan acquired Groupe AB and became present in the content and media industries. Founded in 1977, Groupe AB is a leading independent editor, producer and distributor of audiovisual content in French-speaking Europe. It is primarily involved in producing and distributing series, television movies, cartoons and documentaries and in editing TV channels and bundled digital services. The group has a portfolio of 19 channels, widely distributed in French-speaking Europe and Africa. Groupe AB is one of the largest and most diversified content managers in France, with about 12,000 hours of programming in library and internal production of about 80 hours per year. In 2016, Groupe AB achieved adjusted revenues and EBITDA of, respectively, €160m and €37m.



Further information is available on Mediawan's website ([www.mediawan.fr](http://www.mediawan.fr)) and on Groupe AB's website ([www.groupe-ab.fr](http://www.groupe-ab.fr)).

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APPENDIX

1. CONSOLIDATED BALANCE SHEET AT JUNE 30, 2017 AND DECEMBER 31, 2016

In € thousands	June 30, 2017	June 30, 2016
<b>ASSETS</b>		
Intangible assets	69 238	43
Goodwill	190 276	-
Tangible assets	12 229	-
Financial assets	1 818	-
Deferred tax assets	1 357	-
<b>Non-current assets</b>	<b>274 918</b>	<b>43</b>
Inventories	1 457	-
Trade receivables	51 130	-
Other receivables	10 834	685
Marketable securities	56	-
Cash at bank and in hand	103 945	250 664
<b>Current assets</b>	<b>167 421</b>	<b>251 349</b>
<b>Total assets</b>	<b>442 339</b>	<b>251 392</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	284	313
Additional paid-in capital	216 181	244 634
Treasury shares	(172)	-
Reserves	(279)	-
Retained earnings (deficit)	(1 860)	(661)
<b>Equity group share</b>	<b>214 154</b>	<b>244 285</b>
Non-controlling interests	<b>(0)</b>	-
<b>Total equity</b>	<b>214 154</b>	<b>244 285</b>
Long-term borrowings	110 441	-
Post-employment benefit obligations	2 770	-
Deferred tax liabilities	5 880	0
<b>Non-current liabilities</b>	<b>119 091</b>	<b>0</b>
Short-term borrowings and other financial liabilities	26 797	-
Current provisions	2 483	-
Trade payables	46 730	7 087
Other payables	31 540	19
Deferred income	668	-
Current tax payables	874	-
<b>Current liabilities</b>	<b>109 093</b>	<b>7 106</b>
<b>Total equity and liabilities</b>	<b>442 339</b>	<b>251 392</b>

## 2. CONSOLIDATED INCOME STATEMENT – PERIODS FROM JANUARY 1 TO JUNE 30, 2017 AND JANUARY 1 TO JUNE 30, 2016

In € thousands	June 30, 2017	June 30, 2016
<b>Revenue</b>	<b>38 597</b>	-
Cost of goods sold	(22 030)	-
<b>Gross margin</b>	<b>16 567</b>	-
Selling, general and administrative expenses	(7 525)	-
<b>Current EBIT</b>	<b>9 042</b>	-
Other operating income and expenses	(6 171)	(213)
<b>EBIT</b>	<b>2 872</b>	<b>(213)</b>
Cost of net financial debt	(1 312)	-
Other financial income and expenses	(49)	(2)
<b>Net financial income (expenses)</b>	<b>(1 361)</b>	<b>(2)</b>
<b>Pre-tax income / (loss)</b>	<b>1 510</b>	<b>(215)</b>
<b>Current and deferred tax (expense) / benefit</b>	<b>(2 400)</b>	<b>0,0</b>
<b>Net income / (loss)</b>	<b>(890)</b>	<b>(215)</b>
<b>Profit (loss) after taxes</b>	<b>(890)</b>	<b>(215)</b>
<b>Net income (loss), Group share</b>	<b>(1 199)</b>	<b>(215)</b>
<b>Minority interests</b>	<b>309</b>	-
<i>Basic earnings / (loss) per share attributable to owners</i>	<i>(0,040)</i>	<i>(0,015)</i>
<i>Diluted earnings / (loss) per share</i>	<i>(0,040)</i>	<i>(0,015)</i>

## 3. PRO FORMA FINANCIAL INFORMATION

In € thousands	Mediawan audited financial information for the 6 months closed June 30, 2017	Groupe AB audited financial information for the 3 months from January 1st to March 30, 2017 <sup>[1]</sup>	Unaudited pro forma adjustments <sup>[2]</sup>	Pro forma unaudited P&L account for the 6 months closed June 30, 2017
Revenue	38 597	49 937	(1 750)	86 784
<b>EBITDA<sup>[3]</sup></b>	<b>10 022</b>	<b>12 386</b>	<b>(928)</b>	<b>21 481</b>
Current EBIT	9 042	11 466	(928)	19 581
EBIT	2 872	11 027	5 682	19 581

[1]: Period before acquisition by Mediawan

[2]: Corresponds mainly to adjustments of (i) non recurring costs related to Groupe AB acquisition and (ii) a quarterly €1.8m compensation claim

[3]: Mediawan's key analytical performance indicator - Earnings before depreciation & amortization and provisions but after the amortization of audiovisual rights