tamedia:

Press release

Tamedia Increases Income and Maintains Result at a High Level

All segments show a positive result on the EBIT-level

Zurich, August 30, 2007 – With an increase in operating revenues of 5.5 per cent to CHF 373.0 million in the first half of 2007 Tamedia recorded significant revenue growth for the third time in succession. The increase is broadly based and comprises all divisions. Despite high investments in new media projects the operating income before depreciation (EBITDA) increased slightly to CHF 76.5 million (previous year: CHF 76.1 million), which resulted in a fall in the EBITDA margin from 21.5 per cent in the previous year to 20.5 per cent. Compared to the first half of 2006 the operating income after depreciation (EBIT) rose by 2.5 per cent to CHF 64.4 million. This means that the EBIT margin of 17.3 per cent (previous year: 17.8 per cent) remains high.

In the first half of 2007 the income for the continued operations rose by 8.3 per cent to CHF 57.0 million (previous year CHF 52.7 million). This figure does not include *Radio Basilisk,* which is due to be sold as a result of the planned merger with Espace Media Groupe, and the news magazine *Facts,* which was closed at the end of June 2007. Total income including discontinued operations fell by 2.1 per cent to CHF 51.2 million (previous year: CHF 52.3 million).

The economic environment continues to improve. Print advertising expenditures in January and February benefited from the strong economic growth and increased significantly. After falling in April, the growth in the second quarter 2007 was considerably weaker, however. Meanwhile, job advertising revenues again increased as the unemployment rate continued to fall. The private radio stations increased their advertising revenues, while the regional TV stations and the online business lost revenues and market share.

Key Figures for Income Statement
(in CHF million)

	30/06/2007	30/06/2006	Change in %
Operating revenues	373,0	353,7	5,5
Operating income before depreciation (EBITDA)	76,5	76,1	0,5
Margin	20,5	21,5	(4,7)
Operating income (EBIT)	64,4	62,9	2,5
Margin	17,3	17,8	(2,8)
Income for continued operations	57,0	52,7	8,3
Income for discontinued operations	(5,8)	(0,4)	1509,5
Income	51,2	52,3	(2,1)
Margin	13,7	14,8	(7,2)

Figures in parentheses indicate negative values.
The figures shown in all the tables are rounded. Since the calculations are carried out with greater precision, there maybe slight differences due to rounding.

Newspapers

Thanks to the growth in job advertising and improved figures for *Finanz und Wirtschaft* as well as *20 Minuten* and *20 minutes,* the operating revenues for the Newspaper Division increased significantly by 7.1 per cent to CHF 269.9 million. The costs for the commuter magazine *20 minutes,* which were included for the first time during six months, and the investments in the regional editions of the *Tages-Anzeiger* led to a considerable increase in operating expenses. The operating income before depreciation (EBITDA) fell slightly by 0.2 per cent to CHF 51.6 million. The success of *20 Minuten* continues. The *Alpha* executive job market and the *Stellen-Anzeiger* were able to benefit from the positive developments in the employment market. The *Tages-Anzeiger* also achieved slight revenue growth thanks to the regional editions, and the *SonntagsZeitung* was able to maintain its high market share in the advertising market. The operating income (EBIT) for the Newspaper Division rose 0.7 per cent to CHF 50.7 million. This means that the division contributed 78.7 per cent to the consolidated result. The EBIT margin increased by 1.2 per cent to 18.8 per cent thanks to the increased investments.

Key Figures
(in CHF million)

	30/06/2007	**30/06/2006**	**Change in %**
Operating revenues	269,9	252,0	7,1
Operating expenses	(218,3)	(200,3)	9,0
Operating income before depreciation and amortizations (EBITDA)	51,6	51,7	(0,2)
Depreciation and amortizations	(0,9)	(1,4)	(33,5)
Operating income (EBIT)	50,7	50,3	0,7

Figures in parentheses indicate negative values.

Magazines

The Magazine Division increased its revenue by 4.6 per cent to CHF 39.8 million thanks to *Annabelle* and *Schweizer Familie.* While the leading Swiss women's magazine *Annabelle* generated less income, *Schweizer Familie* increased its revenues once again. The TV magazine *TVtäglich* saw a slight fall in revenues. The EBITDA for the Magazine Division fell by CHF 0.7 million to CHF 5.5 million, the EBIT level also decreased to CHF 5.4 million. The EBIT margin of remarkable 13.7 per cent is now 2.5 per cent lower than in the previous year (16.2 per cent). The news magazine *Facts,* which has been closed, is shown as one of the discontinued operations.

Key Figures
(in CHF million)

	30/06/2007	**30/06/2006**	**Change in %**
Operating revenues	39,8	38,0	4,6
Operating expenses	(34,3)	(31,8)	7,7
Operating income before depreciation and amortizations (EBITDA)	5,5	6,2	(11,4)
Depreciation and amortizations	(0,1)	(0,0)	27,6
Operating income (EBIT)	5,4	6,2	(11,7)

Figures in parentheses indicate negative values.

Electronic Media
For Electronic Media the revenues of the continued operations primarily grew thanks to the strong growth of online activities, which increased by 15.8 per cent to CHF 28.0 million. The main contributors here were *alpha.ch* and *jobwinner.ch,* which achieved significant income growth. The investments in the strongly growing online platforms *20minuten.ch, 20minutes.ch* and *piazza.ch* led to an increase in operating expenses. While *Radio 24* increased its revenues in the first half of 2007, *TeleZüri* consolidated its position as market leader in a negative market environment and was able to maintain its revenues. The EBITDA for the division as a whole rose by CHF 1.4 million to CHF 1.1 million, while EBIT increased by CHF 1.4 million to CHF 0.6 million. The margin is now at 2.1 per cent (previous year: −3.2 per cent). This figure does not include *Radio Basilisk,* which is shown as a discontinued operation as a result of the planned sale.

Key Figures
(in CHF million)

	30/06/2007	**30/06/2006**	**Change in %**
Operating revenues	28,0	24,2	15,8
Operating expenses	(26,9)	(24,5)	9,7
Operating income before depreciation and amortizations (EBITDA)	1,1	(0,4)	-
Depreciation and amortizations	(0,5)	(0,4)	13,3
Operating income (EBIT)	0,6	(0,8)	-

Figures in parentheses indicate negative values.

Services
The Services Division achieved encouraging results once again with operating revenue, which rose by 5.0 per cent to CHF 127.3 million. Mainly contributed to this positive development have the Bubenberg printing centre and the Zuvo service organisation, which significantly increased revenues as well as profits. During the first six months of the year Production Services took over the pre-press services for the *Tages-Anzeiger* and the newspaper alliance Nordostschweiz and consequently reported significantly higher operating revenues. The revenue for the Services Division with third party companies fell in the first six months, primarily as a result of a 9.5 per cent fall in revenues for job sheet-fed printing to CHF 37.7 million. The EBITDA for the Services Division decreased by 1.2 per cent to CHF 18.3 million, with the margin falling from 15.3 to 14.4 per cent. In contrast to the fall in EBITDA the EBIT increased as a result of lower depreciation, which went down 7.6 per cent from 10.6 million (previous year: CHF 11.4 million) to CHF 7.7 million. The EBIT margin increased by 0.2 per cent to 6.1 per cent.

Key figures
(in CHF million)

	30/06/2007	**30/06/2006**	**Change in %**
Operating revenues	127,3	121,2	5,0
Operating expenses	(109,0)	(102,7)	6,1
Operating income before depreciation and amortizations (EBITDA)	18,3	18,5	(1,2)
Depreciation and amortizations	(10,6)	(11,4)	(6,7)
Operating income (EBIT)	7,7	7,2	7,6

Figures in parentheses indicate negative values.

Balance Sheet
Total assets rose by CHF 13.4 million in the first half of 2007 from CHF 789.0 million to CHF 802.3 million. Shareholders' equity grew by CHF 21.3 million or 4.2 per cent to CHF 524.8 million. The growth can be attributed to the positive consolidated net income for 2006, while the shareholders' equity was burdened by the dividend distribution of CHF 30.0 million (CHF 3.00 per share) and the reduction in treasury shares by CHF 0.2 million to pay profit sharing for 2006 in shares. As a result of this, the equity ratio has now increased to 65.4 per cent (end of 2006 63.8 per cent).

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