

REWORLD MEDIA

INFLUENCE | ENGAGE | AMPLIFY

2016 Results

29th March 2017



SUMMARY

- 2016 Highlights
- 2016 Financial results
- Strategy and outlook for 2017
- Stock market performance

A LISTED FRENCH TECH, LEADING IN DIGITAL MEDIA

A differentiated media player, leader in value creation for media brands and in digital advertising



DIGITAL AND ENTREPRENEURIAL CULTURE

- Successful acquisitions: magazine titles from Axel Springer and Lagardère, Tradedoubler
- Proven expertise in digital transition of media assets



DIGITAL TRAFFIC GROWTH, FOCUS ON MONETISATION

- Digital traffic x2.5 since 2015 for all the group brands
- High value proposition on consumer behaviour big data - prized by advertisers



RAPID INTERNATIONAL DEVELOPMENT

- >50% of revenues outside France
- International footprint to service global advertisers



BRANDING-PERFORMANCE SYNERGIES

- Only market player with a fully integrated offer

«ALL IN ONE» SOLUTION FOR ADVERTISERS

Unique combination of know-how for digital advertisers



MEDIA **BRANDING**

Increase visibility, build up a brand

- Print & digital ads
- Diversification

papilles
LE PLAISIR DE CUISINER

marie france

Maison & Travaux

le journal de la
Maison

Be

TELE
magazine

auto
MOTO
auto.moto.eds

vie pratique
Féminin

CAMPAGNE
DÉCORATION

gourmand
gourmand.eds



MEDIA **PERFORMANCE** (Tradedoubler)

Increase sales, strengthen distribution

- Big Data on Leads
- Affiliation & retargeting technologies
- Strong ROI for advertisers

2016: A TRANSFORMATIONAL YEAR

Reworld Media becomes a major player in digital media



SUCCESSFUL TAKEOVER ET TURNAROUND OF TRADEDOUBLER

- Equity stake raised to 30% with 100% consolidation - March 2016
- Restructuring, product range redeployed on growth activities



STRONG DIGITAL PERFORMANCE BY MEDIA BRANDING TITLES

auto-moto.com

3rd automotive media
brand in France
Traffic x4,5 over the year

marie france

#1 site Women site in
audience in Singapore
(Women media, june 2016)



STRONG GROWTH IN REVENUE AND PROFITABILITY

- Critical size reached with a proforma turnover of €200m in 2016 (174M€ consolidated)
- €4.4m EBITDA, a fourfold increase in 2016 vs. 2015, 30% above previous guidance

MEDIA **BRANDING** : STRONG DIGITAL AUDIENCE GROWTH

3rd automotive website
in France



Top 5 of decoration/DIY

Maison&Travaux

Top 10 of women
magazines

vie pratique
Féminin

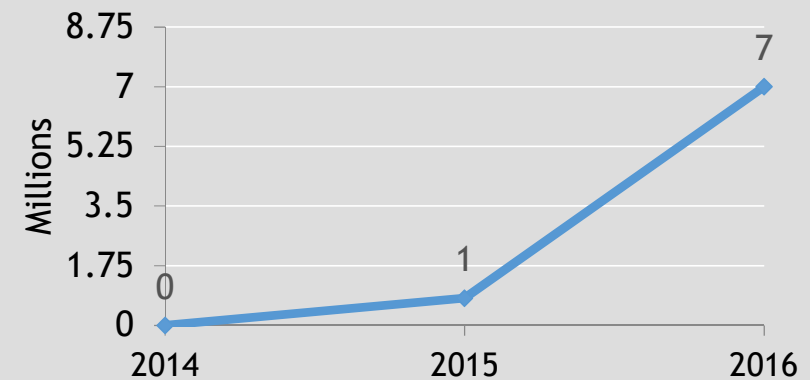
15m subscribers to
newsletters



6 000 videos in catalogue

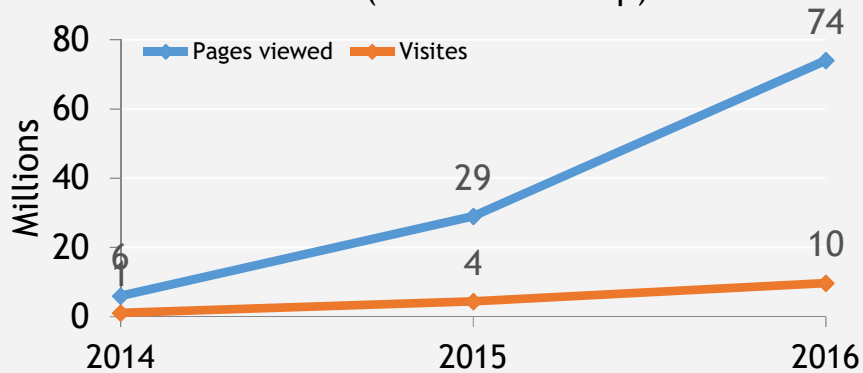


Videos Streams



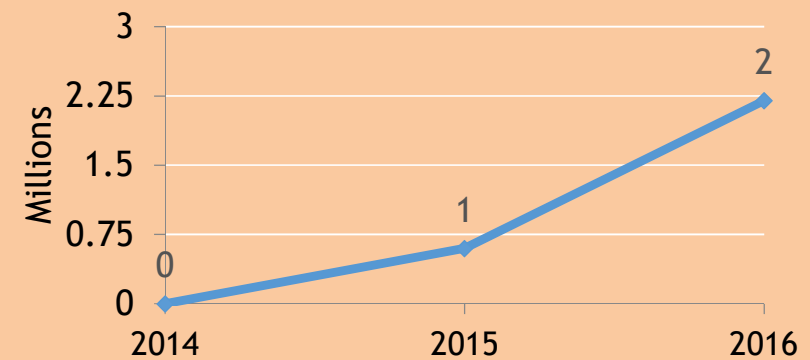
Source : Reworld Media
Monthly average

Audiences (mobile & destop)



Source : Sitecentrics
Average monthly audience

Social Networks subscribers



Source : Reworld Media
Monthly average

MEDIA PERFORMANCE : TRADEDOUBLER, A MAJOR PLAYER WITH A COMPREHENSIVE DIGITAL OFFERING

Leading partner of advertisers' marketing departments

2000+
Customers

180 000
Affiliated websites

41 millions
Triggered sales

€141m
2016 revenues

PRODUCT OFFER



TARGET EXISTING AND NEW CUSTOMERS: RETARGETING

- TD ENGAGE uses behavioural data to target customers with relevant advertising for clients



MORE SALES OR LEADS : AFFILIATION

- TD CONVERT enables advertisers to access international publisher network to help generate incremental sales and leads



MANAGE DIGITAL MARKETING ACTIVITY IN-HOUSE: TECHNOLOGY

- TD CONNECT is a white-label platform allowing clients to manage their digital marketing in-house

MEDIA PERFORMANCE : SUCCESSFUL TURNAROUND OF TRADEDOUBLER

Takeover of Tradedoubler by Reworld Media on 1st March 2016



NEW PRODUCTS, NEW MARKETS, STRENGTHENED BUSINESS

- Roll out of TD ENGAGE in all markets covered by the group
- Opened a subsidiary in Singapore, established a presence in all relevant markets in Asia
- Investment in Dynadmic, leading contextual video network
- Acquisition of R Advertising, strengthening position in France



STRONG OPERATIONAL PROGRESS AND COST REDUCTIONS

- Streamlined and optimised managerial structure
- Transfer of P&L responsibilities to operating units: closure of the central support hub in Telford (UK)



MORE AGILITY, STRENGTHENED PRODUCT DEVELOPMENT CAPABILITIES

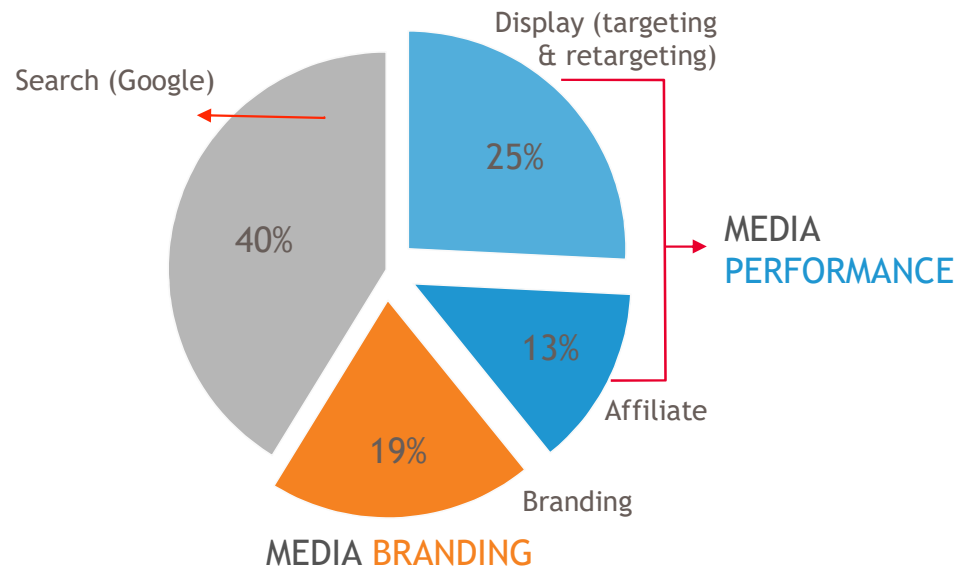
- New partnerships with Avazu (Mobile), AppNexus (Display) and Dynadmic (Video)
- Accelerated pace of innovations : multi-support interfaces, cookieless tracking, business intelligence,...

STRENGTHENED INTERNATIONAL PRESENCE

- **2016 revenue breakdown :**
44% France, 17% UK, 10% Scandinavia,
10% Italy and Spain, 7% Germany
- **12 international sites in 11 countries**
France, Uk, Germany, Spain, Italy,
Poland, Netherland, Sweden,
Switzerland, Brazil and Singapore
- **69 countries covered**

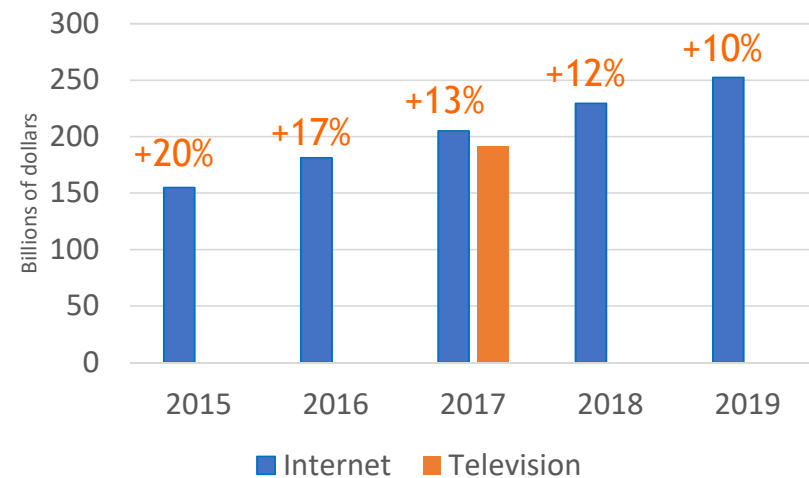
DIVERSIFIED POSITIONING IN GROWING MARKETS

Reworld Media addresses **60%** of the digital advertising market *



* Source Estimations Tradedoubler & eMarketer

Strong growth in Global digital advertising spending:
Internet overtaking TV in 2017 **



** Source Publicis Media



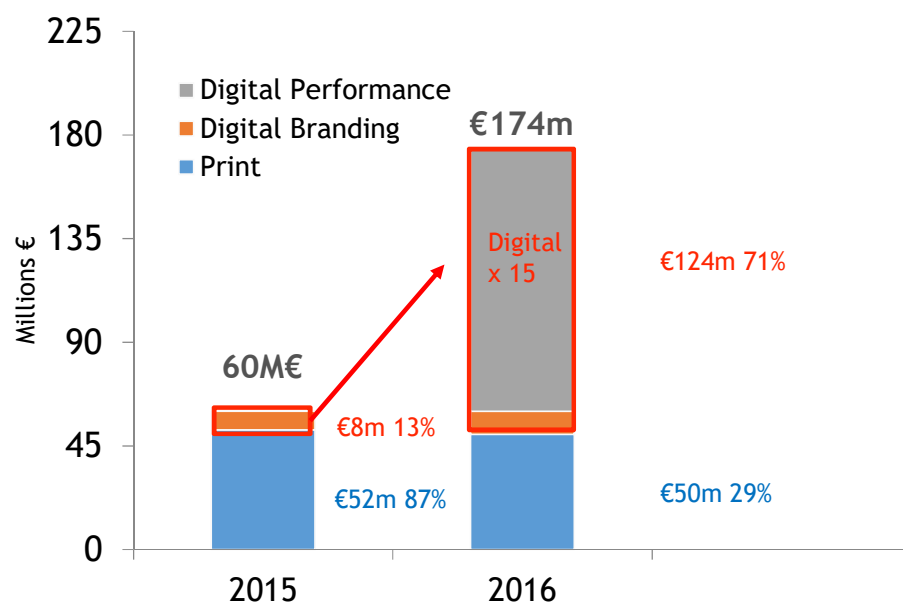
SUMMARY

- 2016 Highlights
- 2016 Financial results
- Strategy and outlook for 2017
- Stock market performance

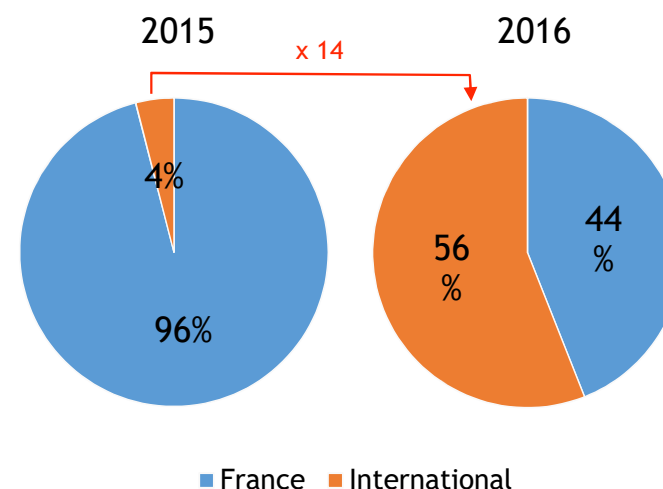
WITH CONSOLIDATED REVENUES OF €174M IN 2016, REWORLD MEDIA IS ON THE LEVEL PLAYING FIELD WITH INTERNATIONAL DIGITAL PLAYERS

- **Digital:** with Digital revenues multiplied by 15 in 2016 to €124m (from €8m in 2015), **more than 70% of Reworld Media's revenues now come from digital activities.**
- **International:** in 2016, Reworld Media has strengthened its international business, which now accounts for **56% of group turnover.**

Turnover breakdown and changes 2016/2015



Turnover split between France & International



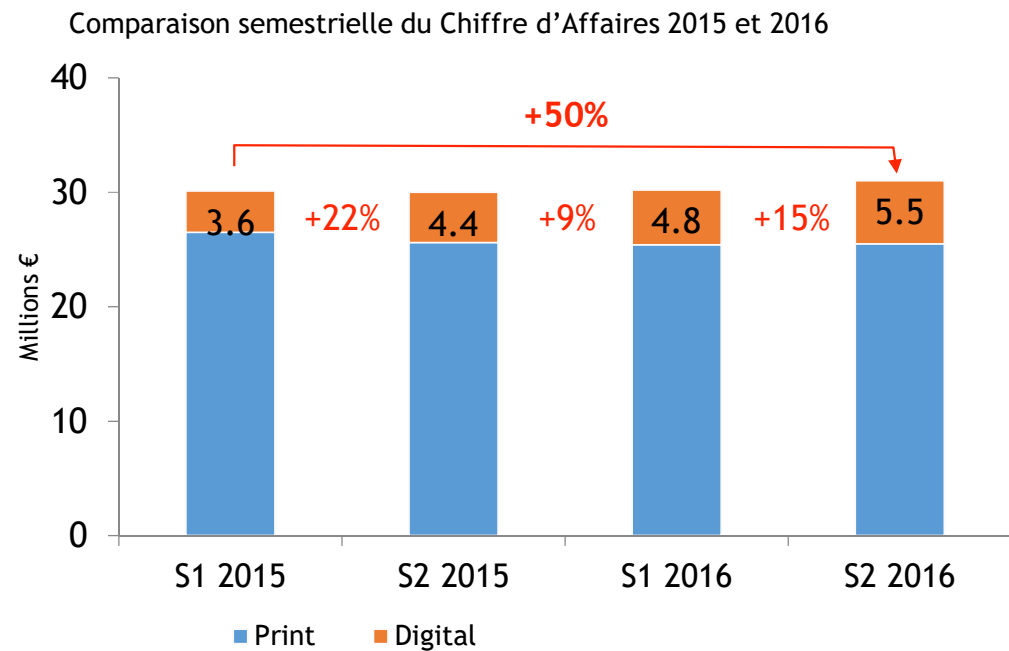
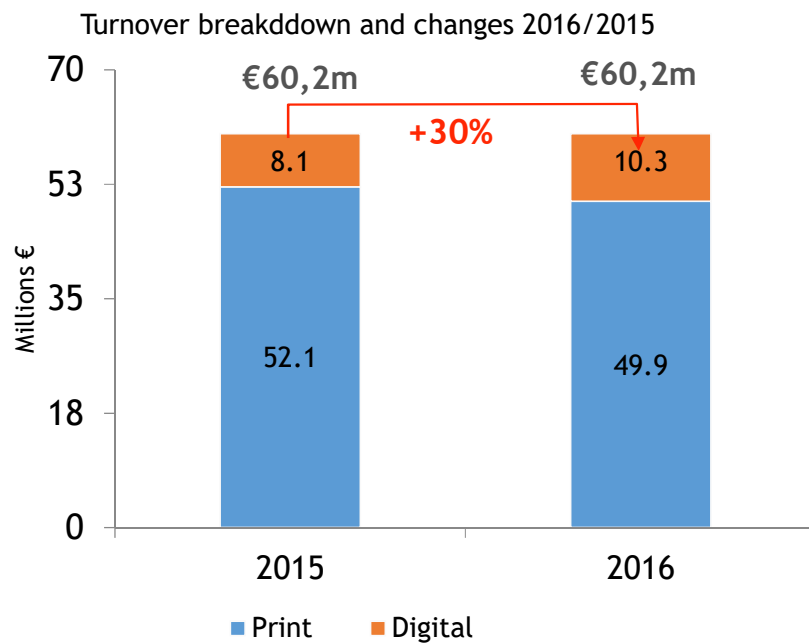
Digital Branding : digital and diversification

Tradedoubler consolidated from 1st march 2016

MEDIA **BRANDING** : POSITIVE CONTRIBUTION FROM DIGITAL IN THE REVENUE MIX, SALES STABLE OVERALL

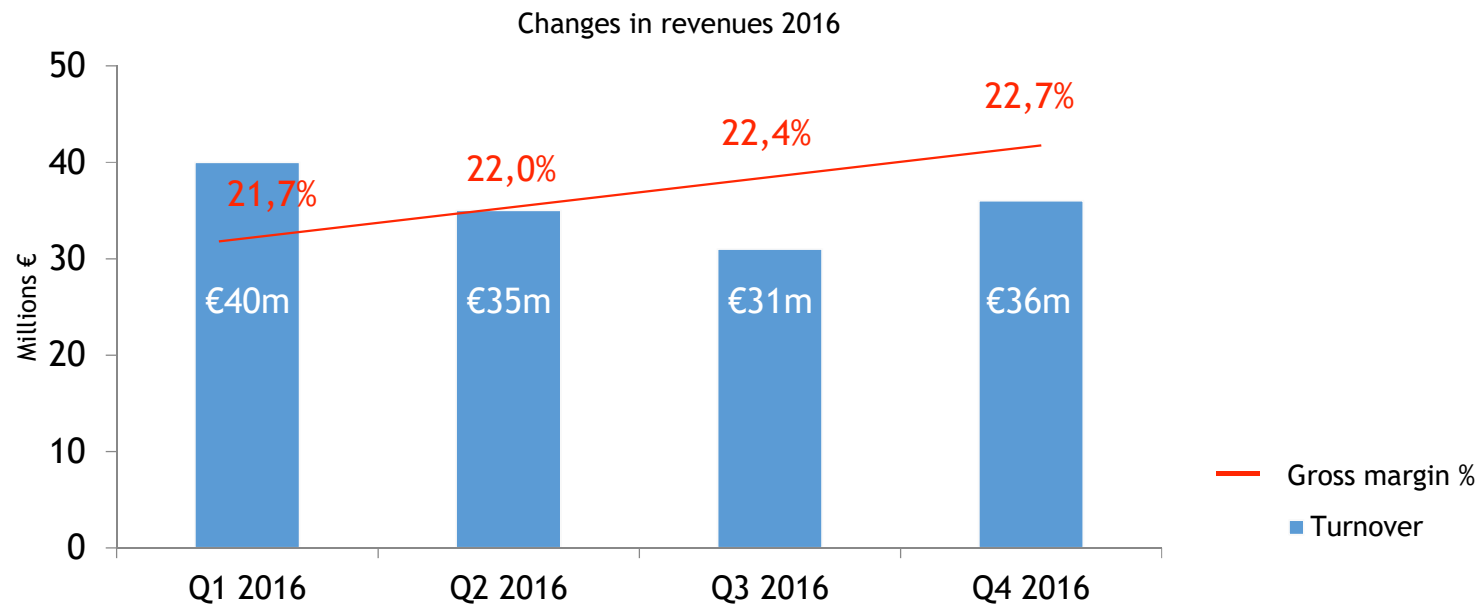
Branding has generated **€60.2m digital revenue in 2016**, overall flat compared to 2015:

- Very **strong digital revenue growth: €10.3m in 2016, +30% year on year**
- Resilient print activities (-4%), outperforming a declining press sector in 2016



MEDIA PERFORMANCE : TRADEDOUBLER BACK TO GROWTH, GROSS MARGIN UP

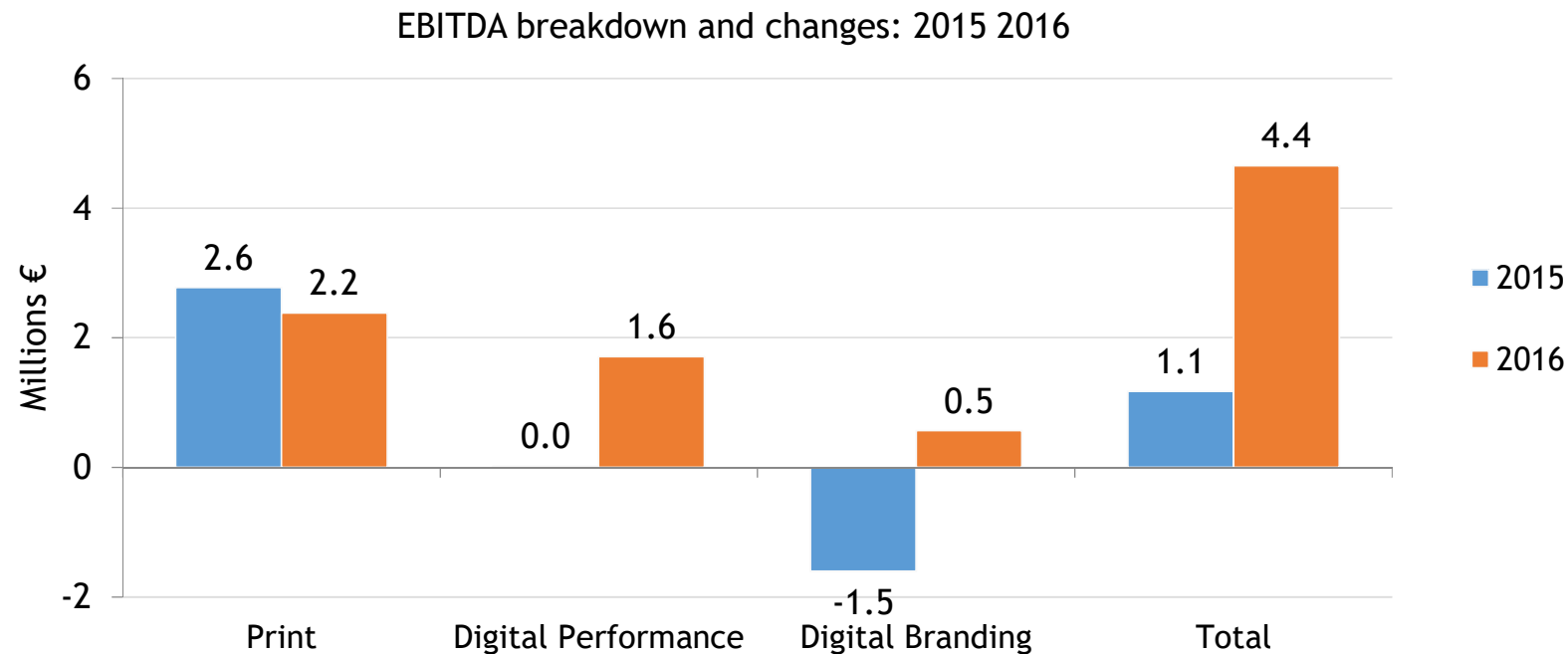
- **+16% sequential growth in Q4 2016** vs Q3 2016
- **Improvement in gross margin** (+1,3% vs. 2015) driven by the pruning and improvement of the client portfolio and the launch of the Retargeting offer in the UK and Germany



STRONG PROFITABILITY INCREASE IN 2016. FOURFOLD INCREASE IN EBITDA

EBITDA came to €4,4m in 2016 (+€3,2m vs. 2015) split into:

- Branding: €2,7m, a €1,7m increase vs. 2015
- Performance: €1,6m, related to the consolidation of Tradedoubler from March 1st, 2016

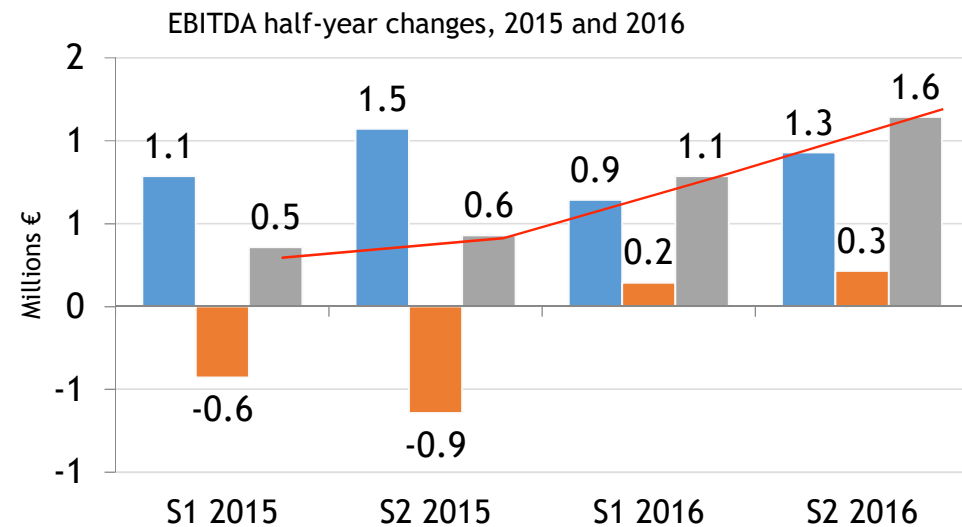
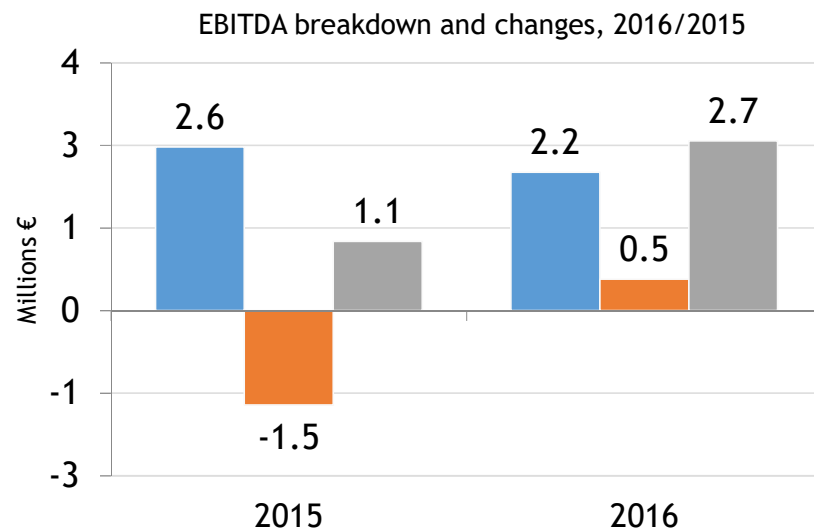


MEDIA **BRANDING** : SUCCESSFUL DIVERSIFICATION STRATEGY OF THE MEDIA BRANDS

Branding: €2,7m EBITDA, +€1,6m compared to 2015, **profitability x3**

- Digital Branding back to profitability in 2016, generating a profit of €0,5m (vs. a loss of €1,5m in 2015)
- Strong resilience of Print: over €2m of profitability annually

Strong and stable increase in Digital profitability vindicates the group's strategy

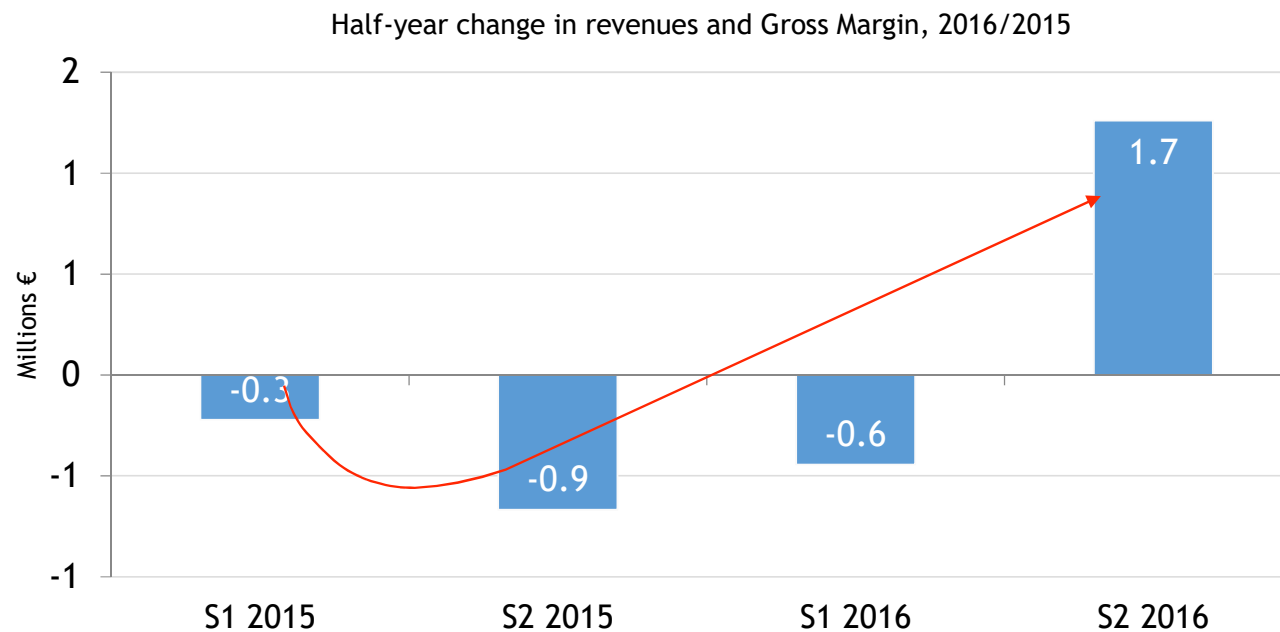


■ Print ■ Digital ■ Total

MEDIA PERFORMANCE : REAPING THE BENEFITS OF RESTRUCTURING AT TRADEDOUBLER, TURNING EBITDA POSITIVE IN 2H16

Successful turnaround in 2H16 :

- 2H16 EBITDA back in profit at €1,7m vs. -€0,6m in 1H16 and improvement in gross margin
- **Restructuring** measures leading to a sharp reduction in fixed costs, by 5,6M€ in 2016
- International development on track, new subsidiary opened in Singapore



POSITIVE GROUP EBIT, NET INCOME IMPACTED BY EXCEPTIONALS

The Group generated **1,1M€ of EBIT** in 2016, an increase of €1m vs. 2015

Exceptional items have impacted Group Net Income:

- €4m related to Tradedoubler restructuring in 2016
- €2,2m for the « historical » activity, related to the decision to shut down Pariscopes magazine and to cost-cutting measures in Print

As a result, the Group showed a loss of **-6,6M€ at the Net Income level** in 2016

P&L (in €m)	2015	2016	Var.	Var. %
Revenues	60,2	174,1	113,9	x 3
Operating costs	59,1	169,8	110,7	n/a
EBITDA	1,1	4,4	3,3	x 4
Depreciations & provisions	-1,0	-3,2	-2,2	217%
EBIT	0,1	1,1	1,0	x 11
Financial results & taxes	-0,1	-1,0	-0,9	n/a
Exceptionals	-4,9	-6,4	-1,4	n/a
Net results	-4,9	-6,3	-1,4	n/a
Goodwill/Badwill amortisation	8,5	-0,3	-8,9	n/a
Consolidated net results	3,6	-6,6	-10,2	n/a

STRONG BALANCE SHEET, VIRTUALLY UNGEARED

Strong capital position: share capital & other shareholders' funds at **€10,3m**

Other Shareholders' Funds:

- At the end of 2015, Other Shareholders' Funds comprised: €4m of current account of associated and €5m of Convertible Bonds
- In 2016, both the current account and €2,4m of Convertible Bonds (out of €5m) were converted at €1,85/share by issuing 3,459,456 new shares
- At the end of 2016, €2,6m of the CBs due to be converted in 2017 at the same valuation

(in €m)	2015	2016
Share Capital - Group Share	9,2	7,7
Other Shareholders' Funds	9,0	2,6
Share capital & other shareholders' funds	18,2	10,3

Positive Net Cash Position of €0,7m :

- Gross cash position: €28,6m, boosted by the consolidation of Tradedoubler in 2016

Financial debt :

- €20,3m bonds (Tradedoubler AB), due November 2018
- €7,3m bank debt (Reworld Media)

(in €m)	2015	2016
Gross Cash	13,6	28,6
Financial Debt	2,3	27,9
Net Financial Position	11,3	0,7

POSITIVE OPERATING CASH FLOW (« HISTORICAL » ACTIVITIES): +€3,6M INCREASE IN NET CASH

Net Cash position at the end of 2016: €28,6m, a €15m increase compared to last year

The €3.6m operating cash flow generated by the historical business confirms the financial success of the strategy to diversify media brands.

The negative €7.6m operating Cash Flow in Media Performance (Tradedoubler) is due to the cost of the restructuring plan and changes in methods of payment by advertisers at Tradedoubler

Cash Variations	2015	2016			Var.
		RM Branding *	TD **	Group	
Cash - Start of the year	12.6	13.6	0.0	13.6	1.0
EBITDA	1.1	2.7	1.6	4.4	3.3
Operating Cash Flow	-5.3	3.6	-7.6	-4.0	1.3
Investment and Financial Cash Flow	6.2	-10.6	29.1	18.6	12.4
Change in cash	1.0	-7.0	21.6	14.6	13.7
Currency variations impact	0.0		0.4	0.4	0.4
Cash - End of the year	13.6	6.6	22.0	28.6	15.0

* Media Branding : historical perimeter outside Tradedoubler

** Tradedoubler consolidated from 1st March 2016



SUMMARY

- 2016 Highlights
- 2016 Financial results
- Strategy and outlook for 2017
- Stock market performance

FOCUS ON INCREASING PROFITABILITY

MEDIA **BRANDING**

Digital growth and higher profitability

- **Digital revenue growth,**
 - ✓ *Sustained investment in video content and its monetisation*
 - ✓ *Higher average monetisation of rising audience*
 - ✓ *Accelerated monetisation of proprietary data (data base, cookies, etc...)*
- **A lower and optimised cost structure**

MEDIA **PERFORMANCE**

Focus on higher profitability

- Commercial focus on higher margin products
- Sustained investments in new technologies, extension of the product range (retargeting) and increased market coverage
- Full deployment of new offers over the whole commercial network
- Strengthening of the international coverage and new subsidiaries opening (Asia)

Reworld Media keeps applying a strategy of tactical/opportunistic and strategically enhancing acquisitions

MERGER-ABSORPTION PROJECT OF SPOREVER

REWORLD MEDIA announced on March 14th to have entered discussion with SPOREVER on a merger project through absorption

This transaction would enable Reworld Media to enhance its offer with:

- a Sports vertical with strong and highly relevant digital audience from M365 websites
- a best-in-class video content production and expertise

The transaction being considered would trigger a capital dilution for Reworld Media shareholders of around 8-10% based on the following valuations:

- Reworld Media between 2,90 et 3,30€ / share
- Sporever between 1,45 et 1,70€ / share

The transaction will be subject to the recommendation by the statutory auditors and will require the approbation of both companies' shareholders at their respective AGMs.

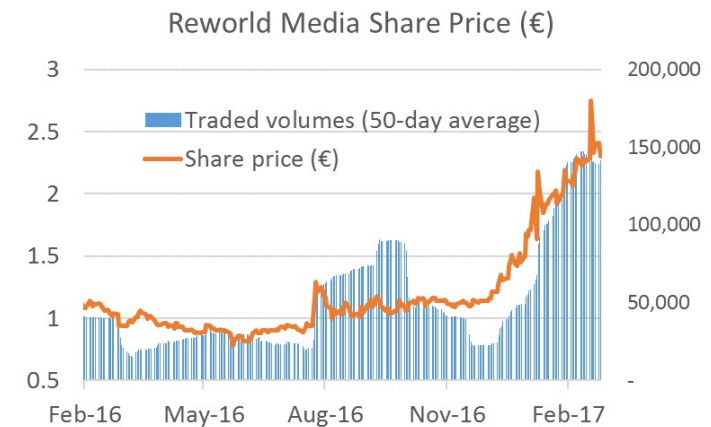


SUMMARY

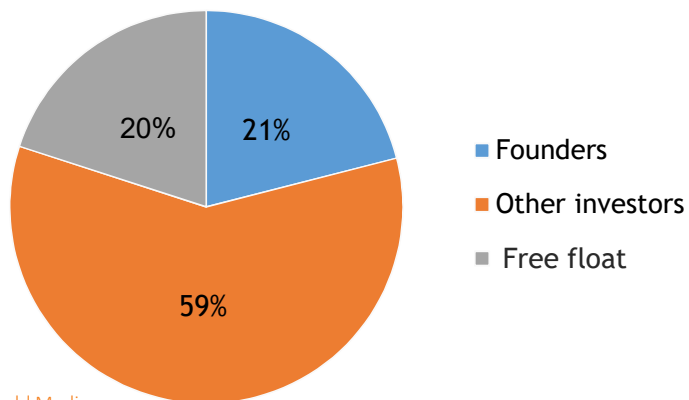
- 2016 Highlights
- 2016 Financial results
- Strategy and outlook for 2017
- **Stock market performance**

CAPITAL STRUCTURE AND SHARE PRICE PERFORMANCE (ALREW FP)

- Share Price : €1.21 March 2017
- 31 929 339 total shares
- Alternext since 16th June 2014
- ISIN : FR 001082027
- MNEMO : ALREW
- TICKER Bloomberg : ALREW FP



Capital structure:



27th March 2017

Market capitalisation	€76.9m
Highest over the last 12 months	€2.75
Lowest over the last 12 months	€1.21
Volumes traded: 50-day moving average	127,072 shares
Volumes traded: yearly moving average	62,906 shares

CONTACT

REWORLD MEDIA GROUP

16 rue du Dôme

92100 Boulogne Billancourt

Tél : +33 (0)1 74 31 36 36

investisseurs@reworldmedia.com

Listing Sponsor

Contact : Julia Bridger

jbridger@elcorp.com

Investor Relations

David Chermont

dchermont@inbound.capital

Frederic Portier

fportier@inbound.capital

Communication

Ségolène de St Martin - PCE

sdestmartin@p-c-e.fr