

March 29<sup>th</sup>, 2017

## EBITDA of 4.4 €M, a fourfold increase in 2016

**Strong increase in operating profitability in both Branding & Performance**

| Audited, in €m                                    | 12/31/16     | 12/31/15 | Evolution   |
|---|--------------|----------|-------------|
| <b>Consolidated revenues</b>                      | <b>174.1</b> | 60.2     | <b>x 3</b>  |
| <b>EBITDA</b>                                     | <b>4.4</b>   | 1.1      | <b>x 4</b>  |
| including EBITDA in Media Branding <sup>(4)</sup> | 2.7          | 1.1      |             |
| EBITDA in Media Performance <sup>(5)</sup>        | 1.6          | -        |             |
| <b>Operational result</b>                         | <b>1.1</b>   | 0.1      | <b>x 11</b> |

Reworld Media (ALREW) announced a strong increase in operating profitability for its fiscal year 2016, above expectations (+30%). EBITDA in the « Media Branding » activity (historical perimeter) was multiplied by 2.5 in 2016, thanks to the digital development of its key brands. Importantly, the « Media Performance » activity returned to profitability only 10 months after its integration within the group. Reworld Media keeps delivering profitable growth as demonstrated by these achievements, thanks to its unique « Branding »/« Performance » positioning in the digital media market.

## Annual proforma revenues reached €201m, with digital sales up 30% organically

In 2016, Reworld Media realised annual revenues of €201m pro-forma and €174m on a consolidated basis, compared to €60.4m in 2015.

**Digital organic growth in « Media Branding » (historic perimeter) reached 30%** fully offsetting the structural decrease in print operations. This was driven by the strong progression in digital audience (74m monthly page views versus 29m in 2015) and the leadership enjoyed by the group's media brands. *Auto Moto* is now among the top 3 car websites in France, *Maison&Travaux* in the top 5 for renovation/DIY, *Vie Pratique Féminin* in the top 10 for women websites, while *Marie France* became the #1 women website in Singapore,...

Following its recent integration and thorough reorganisation, the « Media Performance » business (Tradedoubler) has been focusing on the redeployment of its sales toward higher margin products and has successfully launched a « targeting/retargeting » offer in the UK and Germany. **Fueled by this new dynamic, the activity grew 16% between the 3<sup>rd</sup> and 4<sup>th</sup> quarters 2016 while gross margin increased 1.3 points in 2016 vs. 2015 on a full year basis.**

In line with the objectives announced last year, Reworld Media is now generating the majority of its revenues from digital operations (71%) and from outside France (56%).

## EBITDA<sup>(2)</sup> at €4.4M – Branding and Performance both returning to profitability

Reworld Media generated an EBITDA of €4.4m in 2016, a fourfold increase compared to €1.1m in 2015, driven by:

- A strong increase in profitability in « Media branding » with EBITDA reaching €2.7m in 2016 from €1.1m in 2015.
- The benefits of restructuring within « Media Performance » (€5.6m fixed costs savings), combined with the increase in gross margin and the return to revenue growth at the end of the fiscal year. This helped generate an extra €1.6m EBITDA for the fiscal year.

Operating income for the group reached €1.1m in 2016 to be compared to €0.1m in 2015. The group reported exceptional charges of €6.4m including -€4.2m due to restructuring at Tradedoubler and -€2.2m in « Media Branding » due to the disposal of the *Pariscope* magazine and final restructuring costs in the « print » activities.

On 31<sup>st</sup> December 2016, Reworld Media reported a sound financial position with equity capital at €10.3m<sup>(3)</sup> and gross cash of €28.6m. Financial debt amounted to €27.9m.

**Gautier Normand, Managing Director of Reworld Media, says:** *«These annual results demonstrate once again our expertise in bringing loss-making businesses back to profitability and make us feel confident with the strategy we have implemented over the last 3 years. We have carried out significant digital investment for the benefit of our media brands, which have been delivering profitable growth for over a year. The development of the Media Branding business combined with the benefits of a restructured Media Performance activity offer significant leverage potential for the group».*

## A strong potential for development in the growing digital advertising market

**Pascal Chevalier, President, adds :** *«In its current shape, strong of a large international presence, more than 500 employees and more than 70% of its activities now in digital, Reworld Media is entering a new phase of growth. Our offer is perfectly in line with the market's trends ; Every day, Branding and Performance offer investment allocation solutions to help advertisers address their own questions on how to develop both their brands image and sales. Reworld Media has a unique positioning in these areas of growth. »*

Reworld Media will keep pursuing its strategy in 2017 with priority given on growing digital activities and on raising profitability. The group is still on the lookout for acquisition opportunities and, in the case of a positive outcome for the merger project with Sporover, which was announced on March 14<sup>th</sup>, it is poised to strengthen its position in two key sectors: sports and video production.

The financial annual report is available on [www.reworldmedia.com](http://www.reworldmedia.com).

<sup>(1)</sup> Consolidation of Tradedoubler on March 1st 2016

<sup>(2)</sup> Operating results before depreciation, amortization and provisions

<sup>(3)</sup> Capitaux propres part du groupe et autres fonds propres

<sup>(4)</sup> Corresponds to historic perimeter, excluding Tradedoubler

<sup>(5)</sup> Corresponds to Tradedoubler (consolidated March 1st 2016)

### Reworld Media :

Reworld Media is an international digital media group whose main activities benefit from a proprietary network of a score of media brands (Marie France, Be, Le Journal de la Maison, Maison&Travaux, Gourmand, Auto Moto, Tele Magazine...) and from a performance media network spanning internationally across more than 180 000 partnering publishing sites from its Tradedoubler subsidiary. Reworld Media offers advertisers global integrated solutions associating « Media Branding » (media campaigns across all digital levers, print, events...) and « Media Performance » (digital performance media campaigns). The group has a presence in 11 countries and employs 541 people.

Alternext Paris – ALREW - Code ISIN : FR0010820274 - [www.reworldmedia.com](http://www.reworldmedia.com)

### Press contact :

Ségolène de St Martin, Presse&Com Ecofi  
Tél : 06 16 40 90 73 – [sdestmartin@p-c-e.fr](mailto:sdestmartin@p-c-e.fr)

### Investor contacts :

Reworld Media : [investisseurs@reworldmedia.com](mailto:investisseurs@reworldmedia.com)  
Inbound Capital : Frédéric Portier, [fportier@inbound.capital](mailto:fportier@inbound.capital)

