



12 September 2018

Solid Results in H1 2018

EBITDA: +28%
Doubling of Net Profit

Audited, in €M	30 June 18	30 June 17	Evolution
Consolidated revenues	87,1	95,2	-8%
Consolidated EBITDA	4,0	3,1	+28%
of which EBITDA Media Branding	2,8	2,0	+40%
EBITDA Media Performance	1,2	1,1	+6%
Operating income	2,3	1,4	+61%
Net profit	1,9	0,9	+110%

Reworld Media (ALREW) announces solid results as of 30 June 2018 with a margin increase across all divisions. The Media Branding⁽¹⁾ division generated an all-time high margin in digital and a margin increase in Print while the Media Performance⁽²⁾ division EBITDA⁽³⁾ has renewed with growth. As a result, the group net profit doubled in H1 after what was already a strong rebound in 2017.

Margin improvement across all divisions

Reworld Media consolidated revenues were €87.1M as of 30 June 2018, down 8% vs H1 2017. This decline in revenue is entirely attributed to the Media Performance division (Tradedoubler) whose revenues fell as a result of strategic decisions such as the termination of non-profitable contracts, client losses in 2017 and a negative FX impact. The division's new commercial and strategic dynamics are already bearing fruit with the rebound of gross margin, up 5% in Q2 2018.

Despite the fall in revenues, the group EBITDA⁽³⁾ was up 28% in H1 thanks to strong increases in profitability across all divisions:

- **Media Branding⁽¹⁾ division: an all-time high margin of 23.1% in digital**

Media Branding EBITDA increased by 40% in H1 to €2.8M. This can be attributed to a **sustained significant improvement of the digital profitability, up 59%** (Media Branding digital EBITDA: €1.7M vs €1.1 M) as well as an **EBITDA increase within the Print activities** (Print EBITDA: €1.1 M vs €0.9M).

This performance has been achieved on revenues of €31.2M in H1 18 (+2%), which takes into account a **12% revenue growth within Digital** (Media Branding digital revenues: €7.4M). Print revenues were broadly stable at €23.7M (vs €23.9M), largely outperforming its market.

- **Media Performance⁽²⁾ division:**

Despite a revenue decline of 13% (Tradedoubler H1 2018 revenues: €55.9M), **Media Performance EBITDA increased by c.6%** to €1.2M, positively impacted by the focus of its activities on its core business. The division gross margin increased in H1 to 22.9%.

Net profit doubled in H1 while group financials remain healthy

Reworld Media **operating profit** was €2.3M as of 30 June 2018, showing an **increase of 61%**.

Exceptional charges kept declining in absolute terms at -€0.3M (vs -€0,7 M in H1-2017) and the group financial results had a neutral impact (€0.1M).

Reworld Media net profit reached €1.9M as of 30 June 2018, doubling versus H1 2017.

The group shows €21M worth of share capital⁽⁴⁾ on its balance sheet, €18.2M cash and a financial debt of €27.8M. In H1 2018, Tradedoubler successfully refinanced its 2013 bond.

Gautier Normand, co-founder and managing director of Reworld Media states: *«The Media Branding activities performed very well in H1 thanks to a sustained solid growth in digital and the noticeable resilience of the Print activities despite the market slow down. The Media Performance profitability has been increasing significantly for a year now. We recently decided to decentralize the commercial strategy and place it under the responsibility of local teams fully focused on the commercial deployment of new solutions and on the acquisition of new profitable clients».*

A strategic positioning in Branding & Performance to grow on the digital market

Reworld Media developed a unique combination of know-how which allows digital advertisers to both promote their brand through Media Branding and increase sales through Media Performance.

Reworld Media is now an established media group with an **all-time high audience of 7.2m unique visitors** in July 2018, enjoying the strongest growth amongst generalist publishers (+67% since January 2018; source Internet Global July 2018). For example, Auto Moto saw its audience multiplied by 3, Maison&Travaux by 2.4, the audience of Media365 sport brands rose by 69% and the one of marie france by 44%.

The group leverages its 11 established brands over 3 verticals highly valued by advertisers (women-cooking, home-garden, auto-sport) while its powerful affiliate network enables to generate additional revenues for its clients.

Pascal Chevalier, co-founder and President concludes : *« Reworld Media keeps on getting stronger and stronger as confirmed by its financial results and business development. Our strategic positioning in branding and performance goes along with our client needs while our teams have demonstrated a deep digital expertise. We manage the development of the group with discipline and focus in a market which remains highly buoyant in France and abroad».*

Reworld Media expects the rest of the year 2018 to show the same dynamics of growth in profitability as in the first semester. It will also benefit from strong positive seasonality effects in Q4.

Reworld Media H1 2018 report is available on our website www.reworldmedia.com.

(1) Media branding : group media brand activities, excluding Tradedoubler, including Sporever (consolidated since the 1st of June 2017)

(2) Media Performance : Tradedoubler, consolidated since the 1st of March 2016

(3) Operational profit before depreciation, amortization and provision

(4) Equity attributable to shareholders and other equity

About Reworld Media :

REWORD MEDIA is an international digital group leader in its activities thanks to a network of eleven proprietary media brands powerful within their B2C segments (marie france, Be, Le Journal de la Maison, Maison & Travaux, Gourmand, Auto Moto, Télé Magazine...) and an international media network with over 180,000 partner sites. The group is unique in its ability to offer international advertisers a global offer combining "Media Branding" (access to all formats: digital, print, event ...) and "Media Performance" (performance campaigns). The group is present in 11 countries and has 489 employees.

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