



**STRONG ORGANIC GROWTH OF +29% IN H1 2019**  
**CONFIRMATION OF 2019 PROSPECTS**  
**SIGNIFICANT INCREASE IN PRODUCTION VOLUME**

- Sales of €189 million in H1 2019 with a +29% increase at constant scope (like-for-like basis).
- EBITDA of €26 million in keeping with the budget and annual targets.
- Positive trends in the second half of the year, especially for Mediawan Rights, which has already confirmed significant sales.
- Confirmation of short- and medium-term prospects: organic growth above 10% and an increase in EBITDA.

Paris, Monday, 30 September 2019, 5.45 CEST - Mediawan (ticker MDW – ISIN: FR0013247137) announces its results for the first half of 2019, approved by the Management Board on 26 September and subject to a limited review by the statutory auditors.

**Key reported financial indicators**

In €m	H1 2019 <sup>1</sup>	H1 2018 reported	H1 2018 proforma	% change like for like
Mediawan Originals	68.0	42.3	56.0	+21%
Mediawan Animation	49.5	-	15.6	+218%
Mediawan Rights	17.2	23.2	20.8	-17%
Mediawan Thematics	54.0	54.4	54.4	-1%
<b>Total Revenues</b>	<b>188.7</b>	<b>120.4</b>	<b>146.8</b>	<b>+28.6%</b>
<b>EBITDA <sup>2</sup></b>	<b>25.9</b>	<b>30.1</b>		
<b>Adjusted net income – Group share</b>	<b>15.0</b>	<b>17.8</b>		
In €m	06/30/19	12/31/18		
Net financial debt <sup>3</sup>	142.5	120.9		
Shareholders equity	225.8	220.0		

<sup>1</sup> IFRS 16 – leases has been applied as of January 2019 1<sup>st</sup>, without restating prior-period comparative information

<sup>2</sup> After amortization of audiovisual rights (other than recognized through business combinations)

<sup>3</sup> Financial debt excluding loans related to productions.



**Pierre-Antoine Capton, Chair of the Management Board of Mediawan, said:** “*The start of the year was marked by the fast acquisition of Palomar, our first international team, the growing number of new development projects, the confirmation of our position as number one producer of drama content in France, the establishment of franchises confirmed with the creation of additional seasons and then the signing of the lease of our head office in the centre of Paris. This major project allows us to bring most of our group’s teams together in order to create an inspiring corporate culture, a breeding ground for creativity and for combining our talents with our businesses*”.

### **Strong business activity in the first half of the year, mainly from production businesses**

During the period, Mediawan has significantly increased its production volume across all genres, especially drama. Sales thus reached €188.7 million against €120.4 million in H1 2018, i.e. a positive growth of +51% (or +29% at constant scope).

- Mediawan Originals produced sales of €68.0 million in the first half of the year, i.e. a growth of +61% or +21% at constant scope (like-for-like basis). Changes in scope include the contribution of Palomar, Mai Juin Productions, Mon Voisin Productions and Chapter 2 (which were not consolidated in H1 2018).

During the period, Mediawan Originals delivered a total of 68 hours of programmes, including new episodes of established series such as *Zone Blanche* (“Black spot”), *Bracelets Rouges* (“The Red Bracelets”), *Section de Recherches* (“Research Unit”) and “Alice Nevers”, the launch of original series such as *Le Nom de la Rose* (“The Name of the Rose”), *Infidèle* (“Unfaithful”), *La saison de la chasse* (“The Hunting Season”) and *Double Je* (“Alter Ego”), and TV films or feature films such as “Piranhas”, *La Maladroite* (“Stella”), *Un homme abîmé* (“A broken man”), etc.

With almost 116 hours of original drama screened in prime time in the past twelve months, the group topped the ranking of French drama producers issued by *Écran Total* magazine.

- Mediawan Animation, Europe's number one producer of animated content, reported H1 2019 sales of €49.5 million.

The delivery in the second half of the year of the film “Playmobil, the Movie” generated sales of €32.4 million, which were mainly related to the recognition of minimum guarantees from distribution partners.

Furthermore, the Group produced and delivered a total of 68 half-hours of TV series, involving 13 episodes of “Miraculous”, 33 episodes of *Drôles de petites bêtes* (“Tall Tales”), 13 episodes of *Sept nains et moi* (“Seven and me”), 24 episodes of “Denver” and the first 13 episodes of “Power Players”, which was first broadcast worldwide on Cartoon Networks. In total, 109 episodes of the various animation franchises have bolstered business activity over the period.

- Mediawan Rights maintained its business growth with the SVOD platforms, in particular with the sales of *Zone Blanche* (“Black spot”) and the documentary “Antoine Griezmann, the Making of a legend” to Netflix.

Sales dropped to €17.2 million in H1 2019 against €20.8 million in H1 2018 on a pro-forma basis, i.e. a 17% drop. This drop is mainly due to the non-linear timing of distribution sales (which depend on the availability of broadcasting rights and windows of broadcast clients) and an outstanding comparison basis in H1 2018. Significant sales already covered for the second half year of 2019 confirm the excellent prospects of the business over the full year.

Mediawan Rights is building on European premium series such as “Missions” (OCS Originals), “Wonderland, the girl from the shore”, “Moloch” and “The War is over” (currently being filmed by Palomar) and “Babylon Berlin” (Canal+ will broadcast the third season in 2020). Furthermore, the high demand for quality documentaries is another driver: after “Antoine



Griezmann, the Making of a legend”, “Kubrick by Kubrick”, “Global Science”, “Green Blood” and “Banksy” are also potential global hits.

The group maintained its strategy of investing in content and developing its catalogue via its productions or other opportunities such as the acquisition in September 2019 of FIT Productions’ catalogue, including franchises such as “H”, “La Crim” and “La loi de...”.

- Mediawan Thematics, specialised in the publishing of channels and related digital services, maintained its performance with a slight fall of 1% in H1 2019, recording sales of €54.0 million. In keeping with the projected prospects for the whole financial year, the royalties collected by operators, which showed a slight fall, were almost offset by the very good performance recorded (+24%) by advertising revenue and new development opportunities with digital platforms.

Among the new programmes of the group’s channels, AB1 will broadcast for the first time on television “The Get Down”, a Netflix original series, and the ACTION channel will broadcast seasons 1 to 4 of “Narcos”.

#### **EBITDA<sup>4</sup> of €25.9 million and adjusted net income group share of €15.0 million**

**EBITDA** in H1 2019 reached €25.9 million, i.e. an operating margin of 13.7%. This margin level is mainly the result of the seasonal nature of the business and the sales mix over the period:

- the low percentage of distribution sales, the business that generates the most profit and margin (the contribution will be more significant in the second half of the year);
- the share of revenue from the film “Playmobil, the Movie”, for which no margin has been recognised in the half-year accounts, pending final results from cinema releases and merchandising income.

The reported **operating profit** was €7.2 million after recognition of amortisation other than that related to audiovisual rights, and was also affected by amortisation of the share of goodwill allocated to tangible and intangible fixed assets, non-recurring expenses related to acquisitions and reorganisation costs, and the accounting impact, with no impact on the Group’s cash position, of items equivalent to remuneration items under IFRS standards.

The net income group share showed a profit of €3.5 million in the first half of 2019, while the adjusted **net income group share** amounted to €15.0 million.

#### **A solid capital structure**

Shareholders’ equity, group share, increased from €220.0 million at 31 December 2018 to €225.8 million at 30 June 2019 as a result of the contribution of the net income for the period and capital increases of €9.6 million partially offset by the non-monetary impact related to the recognition of minority interest buyout commitments.

At 30 June 2019, the Group’s net financial debt was €142.5 million against €120.9 million at 31 December 2018. The increase in debt over the period is mainly due to the impact of the acquisition of Palomar and other M&A transactions, net of capital increases, for an amount of more than €25 million.

#### **Full-year 2019 financial targets confirmed**

Mediawan reminds that its sales and income are correlated in particular to the number and delivery schedule of audiovisual programmes and the opening up of right entitlements. These factors can result

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<sup>4</sup> EBITDA after amortisation of audiovisual rights, other than those related to business combinations.



in significant changes to the income from one period to the next; the half-year consolidated income is therefore not indicative of future annual results.

As far as Mediawan Originals and Mediawan Animation's businesses are concerned, substantial volumes of work are currently in production. Uncertainty regarding precise delivery dates and proximity to the end of the 2019 financial year are likely to have an impact on the consolidated income.

However, visibility on the ongoing developments and rights under mandate at Mediawan Rights allow us to confirm previously issued information: medium-term organic growth above 10% and an increase in EBITDA.

**The half-year financial report is available on:** <https://mediawan.fr/fr/information-reglementee/>

**Next financial press release:** sales for the third quarter of 2019, end of November 2019.

#### **Disclaimer**

This document may contain estimated financial results, information on future projects and transactions, and future business performance. These forward-looking statements are provided for estimation purposes. They are subject to market risks and uncertainties and may vary significantly compared with the actual results that will be published.

#### **About Mediawan**

Mediawan was founded by Pierre-Antoine Capton, Xavier Niel and Matthieu Pigasse. Since March 2017, Mediawan has completed many strategic acquisitions, becoming a new independent premium audiovisual content player and occupying a leading position in Europe. The Group operates in four subsectors: production of original drama and documentary content, operation of animation brands, distribution of audiovisual content, and publication of digital services and channels. Find out more on the Mediawan website: [www.mediawan.fr](http://www.mediawan.fr)

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## APPENDICE

### 1. Consolidated P&L

In € millions	H1 2019	H1 2018
<b>Revenues</b>	<b>188.7</b>	<b>120.4</b>
<b>Other products</b>	<b>71.0</b>	<b>40.8</b>
Purchases and external expenses	(61.7)	(33.5)
Personnel expenses	(50.4)	(34.9)
Other expenses	(12.6)	(13.3)
Depreciation and provisions, net	(109.2)	(49.4)
<b>Operating charges</b>	<b>(233.9)</b>	<b>(131.1)</b>
<b>EBITDA</b>	<b>25.9</b>	<b>30.1</b>
Other depreciation (excl. audiovisual rights)	(4.0)	(1.9)
Other operating expenses	(5.5)	(4.7)
Amortization of assets recognized through bus. combinations	(9.2)	(14.6)
<b>EBIT</b>	<b>7.2</b>	<b>8.9</b>
Cost of net financial debt	(3.6)	(2.5)
Other financial income	0.8	5.4
Other financial income and expenses	(0.9)	(0.8)
<b>Net financial income (expense)</b>	<b>(3.7)</b>	<b>2.2</b>
<b>Pre-tax income / (loss)</b>	<b>3.6</b>	<b>11.1</b>
Current and deferred tax (expense) / benefit	(0.4)	(1.9)
<b>Profit (loss) after tax</b>	<b>3.2</b>	<b>9.1</b>
Income from equity affiliates	(0.3)	(0.0)
<b>Net income / (loss)</b>	<b>2.9</b>	<b>9.1</b>
<b>Net income / (loss), Group share</b>	<b>3.5</b>	<b>9.0</b>
<b>Minority interests</b>	<b>(0.6)</b>	<b>0.1</b>
<b>Basic earnings per share attributable to owners (in €)</b>	<b>0.113</b>	<b>0.316</b>
<b>Diluted earnings per share (in €)</b>	<b>0.109</b>	<b>0.305</b>



## 2. Consolidated Balance Sheet at the end of June 2019 and at the end of December 2018

In € millions	06/30/19	12/31/18
Goodwill	188.7	164.7
Intangible assets	345.6	361.3
Property, plant and equipment	25.2	18.6
Other non-current financial assets	5.8	1.0
Deferred tax assets	11.6	9.6
<b>Non-current assets</b>	<b>576.8</b>	<b>555.2</b>
Inventories and work-in-progress	9.9	0.8
Trade receivables	127.3	94.7
Other receivables	80.3	54.0
Current tax receivables	8.3	8.7
Cash and cash equivalents	55.5	45.9
<b>Current assets</b>	<b>281.4</b>	<b>204.2</b>
<b>Total assets</b>	<b>858.2</b>	<b>759.4</b>
Share capital	0.3	0.3
Share premium	257.4	247.7
Treasury shares	(0.9)	(0.6)
Other reserves	(32.2)	(25.1)
Retained earnings (deficit)	1.2	(2.4)
<b>Equity attributable to owners of the Company</b>	<b>225.8</b>	<b>220.0</b>
<b>Equity attributable to non-controlling interests</b>	<b>1.1</b>	<b>1.6</b>
<b>Equity</b>	<b>226.9</b>	<b>221.6</b>
Long-term borrowings and other non-current fin. liab.	175.1	148.3
Non current lease liabilities	6.3	-
Other financial liabilities	47.9	36.1
Employee benefit obligations	4.1	3.4
Long-term provisions	7.4	7.8
Deferred tax liabilities	39.0	41.5
<b>Non-current liabilities</b>	<b>279.7</b>	<b>237.0</b>
Short-term borrowings and other current fin. liab.	84.4	60.2
Current lease liabilities	1.5	-
Short-term provisions	0.1	0.4
Trade and other operating payables	167.0	129.8
Other payables and accrued expenses	96.6	108.4
Current tax liabilities	2.0	2.0
<b>Current liabilities</b>	<b>351.6</b>	<b>300.7</b>
<b>Total Equity and liabilities</b>	<b>858.2</b>	<b>759.4</b>