



Paris, March 18, 2020 – 6.15pm
2019 annual results – NRJ Group

• **Implemented strategy is a success**

On 18 March 2020, the NRJ Group Board of Directors chaired by Jean-Paul Baudecroux held a conference call and approved the consolidated and annual accounts for the 2019 financial year.

In millions of euros	2019 ⁽¹⁾	IFRS 16 incidence	2019 without IFRS16 incidence	2018	Comparable Change
Revenue excluding barbers	386.2		386.2	392.3	-1.6%
EBITDA ⁽¹⁾ excluding barbers	61.8	8.8	53.0	55.9	-5.2%
Current operating profit excluding barbers	30.5	0.2	30.3	33.7	-10.1%
Operating profit	28.2	0.2	28.0	32.3	-13.3%
Net profit Group share	21.7	(0.2)	21.9	22.0	-0.5%

In millions of euros	As at Dec 31, 2019 ⁽¹⁾	IFRS 16 incidence	As at Dec 31, 2019 without IFRS16	As at Dec 31, 2018	Comparable Change
Net cash surplus ⁽¹⁾	179.8	(33.7)	213.5	198.6	+7.5%
Shareholders' equity Group share	604.8	(0.2)	605.0	598.2	+1.1%

⁽¹⁾ For the first time, the 2019 accounts were drawn up in accordance with the IFRS 16 Leases standard (use of the simplified retrospective approach, without reprocessing the previous financial year's figures).

For NRJ Group, the 2019 financial year was characterised by:

- **Good audience figures in both radio and television**, with:
 - Strengthened radio leadership in France for the high commercial priority target 25–49 age group⁽²⁾ **(+2.3 percentage points in one year** with audience share at 18.2%),
 - An audience increase for the Group's radio stations in its 3 main foreign locations, Germany, Belgium and Sweden, **with increases of 23.2%⁽³⁾, 19.6%⁽⁴⁾ and 18.7%⁽⁵⁾ respectively**,
 - Audience share gains for the TV division for the high commercial priority targets⁽²⁰⁾: **+0.2 percentage points for the 4+ and 25–49 age group targets and for the women under 50 responsible for purchases target.**
- Consolidated revenue⁽¹⁾ of €386.2 million, whose decrease masks the **growth of Radio activities (+0.7%)** and the **increase in Broadcasting activities (+4% excluding the impact of one-off services)**.
- A **reduction in the Group's expenses** thanks to the implementation of the TV division's audience profitability strategy and the optimisation of the other divisions' expenses.
- A **current operating profit excluding barbers that was relatively stable** compared to 2018 excluding the Broadcasting division's one-off services.

- A **stable net profit group share of €21.9 million (excluding the impact of IFRS 16)** compared to the previous year, mainly due to the increase in the financial results and the decrease in tax expenses.
- A net cash surplus of €213.5 million which, after applying the IFRS 16 standard and deducting €33.7 million in lease liabilities, amounts to €179.8 million.

Revenue and current operating profit (excluding barbers) by activity

In millions of euros	2019	2018	Change
Radio	236.7	235.0	+0.7%
Television	84.5	90.8	-6.9%
Broadcasting	65.0	66.5	-2.3%
Revenue excluding barbers	386.2	392.3	-1.6%
Radio	34.3	34.9	-1.7%
Television	(19.1)	(19.4)	+1.5%
Broadcasting	16.7	19.6	-14.8%
Other activities	(1.4)	(1.4)	+0.0%
Current operating profit excluding barbers⁽¹⁾	30.5	33.7	-9.5%

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RADIO

In France, the Médiamétrie results for 2019 prove the relevance of the investments and the strong positions of NRJ Group's 4 complementary brands. **Every day, almost 11 million French people⁽⁶⁾ listen to the Group's radio stations, and almost 18.6 million do so every week⁽⁷⁾.**

- NRJ brings together 5.2 million daily listeners⁽⁸⁾ and has cemented its position as **France's number 1 radio station for listeners in the under-65 age group⁽⁹⁾**, 'MANU DANS LE 6/9' as France's number one morning show for listeners in the under-65 age group⁽⁹⁾, and 'C'CAUET' as France's number one drive-fime radio show for the under-65 age group⁽⁹⁾.
- NOSTALGIE has cemented its position as France's second music radio station, with more than 3.2 million listeners⁽¹⁰⁾ every day.
- Chérie FM, the most feminine of French radios, is listened to by more than 1.9 million listeners⁽¹¹⁾ every day and
- RIRE ET CHANSONS, the most masculine of music radios, brings together more than 1.5 million daily listeners⁽¹²⁾.

Thanks to the success of the Group's strategy of investments in its programmes and their promotion, and the sales teams' performance, revenue⁽¹⁾ from radio activities in France increased by 1.4%. Digital activities also contributed to the Radio division's growth. They increased by more than 17%, driven by the performance of the audio and video formats and the success of the regional sales house's commercial offers.

Since the beginning of the new 2019 season, NRJ Group's Internet radio stations have **recorded more than 196 million active listening sessions⁽¹³⁾, which represents an 11% increase in one year⁽¹⁴⁾**. NRJ Group is ranked as the number one private group for Internet radio in France⁽¹⁵⁾ and NRJ is the number one radio in France for smart speakers⁽¹⁶⁾ and e-commerce⁽¹⁷⁾. Every week, NRJ brings together more than 6.2 million listeners⁽¹⁷⁾ who buy products or services online, and has recorded the greatest annual radio increase, gaining more than one million additional listeners who make purchases online each week⁽¹⁸⁾. **Voice is the new mouse-click.**

In parallel, French radio recorded very limited growth in its expenses in 2019 (+1.2%) while heavily investing in its programmes and their promotion.

The increase in radio revenue⁽¹⁾ in France and control of the expenses enabled the current operating profit⁽¹⁾ to grow by +2.7% in 2019 compared to the previous year.

In the foreign countries that most contribute to the radio division's results, the Group recorded significant audience increases in 2019, with growth of 23.2%⁽³⁾ in Germany, 19.6%⁽⁴⁾ in Belgium and 18.7%⁽⁵⁾ in Sweden.

In 2019, international radio's current operating profit⁽¹⁾ dropped by €1.2 million, mainly due to the operation of a new network in Sweden and the decrease in revenue⁽¹⁾ in Germany against an economic backdrop in 2019 that was less positive than in the previous year.

As such, for the 2019 financial year, the Group recorded a current operating profit⁽¹⁾ of €34.3 million with its core business.

TELEVISION

In 2019, the Group successfully continued its channel complementarity and audience profitability strategy. Implementing this strategy resulted in audience share gains for the entire viewing public and for priority targets and, at the same time, a significant reduction in programming costs.

In 2019, the cumulative audience share for the two free-to-air channels totalled 2.7%⁽¹⁹⁾ for the entire viewing public (+0.2 percentage points⁽²⁰⁾ compared to 2018), 3.2%⁽¹⁹⁾ for the 25–49 age group target (+0.2 percentage points⁽²⁰⁾ in one year) and 3.6%⁽¹⁹⁾ for the women under 50 responsible for purchases target (up 0.2 percentage points⁽²⁰⁾). **Every day, more than 7.5 million viewers watch NRJ 12 and Chérie 25⁽²¹⁾.**

These good audience figures were recorded whilst, at the same time, the TV division's expenses (mainly programming costs) were significantly reduced in 2019 compared to 2018.

Impacted by the weak market, in the 2019 financial year, revenue⁽¹⁾ for the TV division totalled €84.5 million, down 6.9% compared with the 2018 financial year. However, the decrease in expenses⁽¹⁾ offset that of revenue⁽¹⁾, enabling the TV division to achieve a current operating profit⁽¹⁾ of -€19.1 million, a +€0.3 million improvement compared with the previous financial year.

BROADCASTING

Having ended in the second quarter of 2019, revenue linked to one-off DTT frequency reallocation services was down by 42%. Given this negative base effect, the Broadcasting division recorded revenue⁽¹⁾ of €65.0 million, down by 2.3% compared to that of 2018. Discounting this item, the Broadcasting division's revenue⁽¹⁾ recorded growth of more than 4%, driven by the growth of its FM, DAB+ and DTT broadcasting activity. Over the financial year, towerCast saw its market share increase for both DTT (+1.5 percentage points to 25.0%) and FM (+0.6 percentage points to 24.5%).

In 2019, towerCast continued to make significant investments in its infrastructure in order to, on the one hand, offer radio and television producers an alternative, more competitive offer, and, on the other hand, reduce its own dependency with regards to the historically dominant operator, TDF. towerCast built 26 new sites in 2019, 19 of which were to replace hosting with third-party operators. towerCast now operates on 841 sites (7 new sites operated in one year).

The division's current operating profit⁽¹⁾ was down by €2.9 million to €16.7 million, largely due to the negative base effect linked to the reduction in one-off services.

Recent change and outlook

These perspectives do not take into account the effects of the coronavirus crisis; this issue is specifically detailed at the end of this paragraph.

Radio division

- In France, driven by its 4 complementary brands and the popular programmes available to listeners, NRJ Group intends to assert its leadership for the 25–49 age group target and continue its commercial reversal in value strategy, in particular through innovation and differentiation. In a context of the development of smart speakers and increasing demand for audio content as a result of this technological advance, the Group will also continue the editorial and commercial development of its digital activity in 2020 by relying on its expertise in producing and marketing audio content. NRJ Group is striving to become a major player in digital audio in the medium term.

- Internationally, in 2020 the Group predicts a stable current operating profit excluding barbers with, in particular, low visibility of the economic situation in Germany, the negative impact of the non-renewal of FM broadcast authorisation in Hamburg, but positive audiences.

TV division

- In a TV market that will benefit from Médiamat's integration of audience measurements of use while mobile and outside the home from April 2020, the group will continue its audience profitability strategy by offering programmes that meet the public's expectations but whose costs are optimised compared to the corresponding estimated revenue. The Group will also emphasise its commercial action focusing on reversal in value.

Broadcasting division

- The Group intends to develop its position as an alternative French operator across the entire value chain for the FM, DAB+ and DTT broadcasting market thanks to its technological expertise and its knowledge of the territories by focusing on boosting its own broadcasting sites. In 2020, the Broadcasting division will no longer record one-off DTT frequency reallocation services as this operation was successfully concluded. This will result in a negative base effect on the division's current operating profit excluding barbers.

Coronavirus

With regards to COVID-19, our employees' health remains the Group's priority, while continuing to provide the services expected by our listeners, viewers and clients. To do so, the Group has implemented business continuity plans for its various professions and sites.

In terms of activity, since the beginning of March the Group has recorded campaign cancellations from both radio and television advertisers, with sharp acceleration over the last few days. Given these cancellations, revenue for the radio and television divisions should be down significantly in Q1 2020. Beyond the first quarter of 2020, there is still uncertainty about the evolution of the COVID-19 health crisis and its consequences on the Group's results. NRJ Group will communicate these consequences to the market as soon as it has sufficient visibility.

Additional informations:

The consolidated accounts have been audited and the certification report is currently being issued.

An upcoming Board of Directors meeting will set the date for the Shareholders' General Meeting called to approve these accounts and will decide on the resolutions that will be put forward.

APPENDICES

i Method for the first application of the IFRS 16 Leases standard

The Group has chosen to apply the simplified retrospective approach, without reprocessing comparative periods of financial statements.

The current operating profit excluding barbers saw a positive effect of €0.2 million, the financial result decreased by €0.4 million, and the net profit Group share by €0.2 million (see table below).

In millions of euros	2019	Including IFRS 16 incidence of lease expenses cancellation	Including IFRS 16 incidence of amortisation of right-of-use assets	Including IFRS 16 incidence of interests on lease liabilities	Total IFRS 16 incidence
Current operating profit/loss excluding barbers	30.5	8.8	(8.6)		0.2
Financial result	2.2			(0.4)	(0.4)
Net profit Group share	21.7				(0.2)

ii **EBITDA:** Current Operating Profit excluding barbers transactions before amortisation and impairment of tangible and intangible assets and before net change in provisions recorded in the Current Operating Profit but after current depreciation on current assets.

In millions of euros	2019	2018
Current Operating Profit excluding barter transactions	30.5	33.7
Amortisation and impairment of tangible and intangible assets, and net change in provisions	21.7	21.5 *
Amortisation of right-of-use assets ⁽¹⁾	8.6	0.0
Change in provision for post-employment benefits recognised in personnel expenses	1.0	0.7
EBITDA excluding barter transactions	61.8	55.9

⁽¹⁾ For the first time, the 2019 accounts were drawn up in accordance with the IFRS 16 standard (use of the simplified retrospective approach, without reprocessing the previous financial year's figures).

* Until the end of the 2018 financial year, the change in provisions excluded the reversals used (credited to the same line as that used for the expenditures incurred). This ceased to be the case on 1 January 2019. In order to facilitate the comparison of data, reclassifications were made; they helped reduce the amount of net allocations to provisions to €1.2 million on 31 December 2018.

iii Net cash surplus:

In millions of euros	As at Déc 31, 2019 ⁽¹⁾	As at Dec 31, 2018
Cash and cash equivalents	229.5	221.5
Group's outstanding bank overdrafts and borrowings	(16.0)	(22.9)
Lease liabilities ⁽¹⁾	(33.7)	
Net cash surplus	179.8	198.6

⁽¹⁾ For the first time, the 2019 accounts were drawn up in accordance with the IFRS 16 standard (use of the simplified retrospective approach, without reprocessing the previous financial year's figures).

iv Excluding barter:

In millions of euros	2019 ⁽¹⁾	2018	Change
Revenue excluding barter	386.2	392.3	-1.6%
Revenue on barter	20.4	18.7	+9.1%
Revenue	406.6	411.0	-1.1%
Current operating profit/loss excluding barter	30.5	33.7	-9.5%
Current operating profit/loss on barter	(2.1)	(1.4)	-50.0%
Current operating profit/loss	28.4	32.3	-12.1%

⁽¹⁾ For the first time, the 2019 accounts were drawn up in accordance with the IFRS 16 standard (use of the simplified retrospective approach, without reprocessing the previous financial year's figures).

v Free cash flow:

In millions of euros	2019	2018
Cash generated from operations before interest and taxes	60.7	55.6
IFRS 16 incidence on Cash generated ⁽¹⁾	8.8	
Changes in Working Capital	6.8	21.2
IFRS 16 incidence on Changes in Working Capital ⁽¹⁾	0.0	
Income taxes (paid) / reimbursed	(12.0)	(8.0)
Net cash flows from operating activities (A)	55.5	68.8
Net cash flows from investing activities (B)	(20.6)	(50.3)
Free cash flow (A)+(B)	34.9	18.5

⁽¹⁾ For the first time, the 2019 accounts were drawn up in accordance with the IFRS 16 standard (use of the simplified retrospective approach, without reprocessing the previous financial year's figures).

Sources:

- (1) Excluding barter: (appendice iv).
- (2) Médiamétrie, 126,000 radio, NRJ Global, Monday-Friday, 25-49 age group, 5h-24h, QHM, November-December 2019 (18.2% vs November-December 2018 (15.4%). Change in percentage points.
- (3) MA 2019 Radio II – German-speaking people aged 14+ - Monday/Friday. Evolution compared to MA 2018 Radio II – German-speaking people aged 14+ - Monday/Friday. Stations majority controlled and marketed by the Group (ENERGY CITY KOMBI + ENERGY Stuttgart Region) reach 250,000 listeners per average hour, up by 23.2% compared to the same wave last year. ENERGY CITY KOMBI = ENERGY Berlin + ENERGY Hamburg + ENERGY Munich + ENERGY Nuremberg.
- (4) CIM Radio September-December 2019 - Monday-Sunday - 0h-24h. Evolution compared to CIM Radio - September-December 2018 - Monday-Sunday - 0h-24h. In Belgium, according to the latest audience measurement, NRJ is growing on all key indicators, with a market share of 6.1%, up by 19.6% compared to the same wave of the previous year. In daily reach, NRJ continues to recruit, as 76,000 new listeners have joined us, for a total of 375,825 daily listeners, compared to 299,764 a year ago.

- (5) TNS SIFO PPM / 2019 Monday-Sunday - Target 12+. Evolution compared to TNS SIFO PPM / 2018. In 2019, NRJ reached an average of 716,000 daily listeners, up by 18.7% compared to 2018. NRJ recorded a share of listening of 13.4%, up by 24.1% compared to 2018.
- (6) Médiamétrie, 126,000 radio, January-December 2019, NRJ Global, Monday-Friday aged 13 years and +, 5h-24h, AC, 10,905,000 daily listeners and 18,575,000 weekly listeners.
- (7) Médiamétrie panel 2018-2019, week 1 coverage, Monday-sunday, 5H 24, 13 years and +.
- (8) Médiamétrie, 126,000 radio, January-December 2019, NRJ, Monday-Friday aged 13 years and +, 5h-24h, AC, 5,219,000 daily listeners.
- (9) Médiamétrie, 126 000 radio, 2019, NRJ, Monday-Friday, 13-64 age group, 5h-24h (NRJ) , 6h00-9h30 (Manu in " le 6/9"), 16h00-20h00 (C'CAUET), AC.
- (10) Médiamétrie, 126,000 radio, January-December 2019, NOSTALGIE, Monday-Friday aged 13 years and +, 5h-24h, AC, 3,236,000 daily listeners.
- (11) Médiamétrie, 126,000 radio, January-December 2019, CHERIE FM, Monday-Friday aged 13 years and +, 5h-24h, AC, 1,927,000 daily listeners.
- (12) Médiamétrie, 126,000 radio, January-December 2019, RIRE ET CHANSONS, Monday-Friday aged 13 years and +, 5h-24h, AC, 1,541,000 daily listeners.
- (13) ACPM-OJD, global digital radio broadcasting, September-December 2019, active listening sessions +30 seconds, worldwide, NRJ Group: 196,127,500 active listening sessions.
- (14) ACPM-OJD, global digital radio broadcasting, active listening sessions +30 seconds, worldwide, NRJ Group, September-December 2019 (196,127,500 active listening sessions) vs September-December 2018 (176,156,193 active listening sessions).
- (15) ACPM-OJD, global digital radio broadcasting, December 2019, active listening sessions +30 seconds, data for France, NRJ Group: 35,080,035 active listening sessions.
- (16) Médiamétrie, Smart speakers survey, April-May 2019, Internet users aged 15 and + (43.8% of radio listeners on smart speakers listen to NRJ).
- (17) Kantar Media TGI October 2019. Stations listened to over the last 8 days. Internet use to purchase products or services. 15+ age group target.
- (18) Kantar Media TGI October 2019. Stations listened to over the last 8 days. Internet use to purchase products or services. 15+ age group target. Changes vs October 2018.
- (19) Médiamétrie-Médiamat, Audience share, Day of viewing, Chérie 25, target specified, 03h-27h, Monday to Sunday, 2019.
- (20) Médiamétrie-Médiamat, Audience share, Day of viewing, Chérie 25, target specified, 03h-27h, Monday to Sunday, 2019 vs 2018. Change in %.
- (21) Médiamétrie-Médiamat, NRJ GROUP TV Division = aggregate NRJ 12 + Chérie 25, aged 4 years, 03h-27h, Monday to Sunday, 2019, TCE = 7,517,000 viewers.

Notice: Some of the information contained in this financial release may be provisional. This information reflects either trends or objectives and cannot be taken as a forecast of results or of any other performance indicator. By its very nature, such information is subject to risks and uncertainties which may, in certain cases, be beyond the Company's control. More details on these risks and uncertainties can be found in the Company's Registration Document, which is available on its website (www.nrjgroup.fr) in the "Finances/ Publications financières/ Rapports financiers" section.

About NRJ GROUP

NRJ GROUP is one of France's leading private media groups in the publishing, production and broadcasting sectors and also markets its own media spaces.

In France, the Group tops the private radio market with its four brands (NRJ, CHERIE FM, NOSTALGIE and RIRE & CHANSONS), is a significant player on the television market where it operates and develops two free national channels (NRJ 12 and CHERIE 25) and a paid channel (NRJ HITS, the number 1 cable-satellite-ADSL music channel) and, through its subsidiary towerCast, ranks number two on the French broadcasting market. Backed by its strong brands, marketing expertise and commercial performance, in recent years the Group has also developed a digital ecosystem enabling it to monitor and anticipate changes in the consumption of media via new delivery mechanisms, expanding its original brand portfolio through websites, mobile and voice apps, multi-channel networks and nearly 240 Internet radio stations. Today, NRJ Group is the number 1 private Internet radio group in France. This digital presence enables the Group's advertising business to provide its clients with a more targeted offering thanks to the strategic data collected by the Group.

On the international market, the Group is present in 17 other countries, with NRJ/ENERGY, the number one international radio brand, and/or NOSTALGIE/NOSTALGIA, either directly or through partnerships or licensing agreements.

NRJ GROUP shares are listed on the Euronext in Paris (compartment B).

Codes - ISIN: FR0000121691; Reuters: NRG-FR; Bloomberg: NRG FP.

Analyst and Investor Information

NRJ GROUP – Investor Relations 46-50 avenue Théophile Gautier 75016 Paris - www.nrjgroup.fr
 FTI Consulting – Arnaud de Cheffontaines | Cosme Julien-Madoni / Tel: + 33 1 47 03 68 19 / e-mail:
nrjgroup@fticonsulting.com

NRJ GROUP, a public limited company with capital of 781,076.21 euros
 Head office: 22, rue Boileau 75016 Paris
 332 036 128 RCS PARIS