



Paris, July 29, 2020 – 5.45pm  
**2020 half-year results – NRJ Group**

- **Unprecedented context for the first half of 2020 due to COVID-19**
- **Decrease in revenue combined with significant cuts in expenses**
- **Strengthened financial soundness following sale of its stake in EIT**

The NRJ Group Board of Directors which met on July 29, 2020 approved consolidated financial statements for the first half of 2020. The period was marked by an exceptional and unprecedented context. The Group's ability to react enabled it to cope with a particularly brutal drop in revenue at the end of the first quarter and the beginning of the second quarter of 2020. On June 23, NRJ Group also sold its remaining 5% interest in Euro-Information Telecom to Euro-Information for €50 million.

In millions of euros	HY 2020	HY 2019	Change
Revenue excluding barbers	141.6	192.6	-26.5%
EBITDA <sup>ii</sup> excluding barbers	2.9	25.6	-88.7%
Current operating profit/loss excluding barbers	(13.9)	10.6	n.a
Operating profit/loss	(13.4)	8.9	n.a
Financial result	41.0	(0.8)	n.a
Net profit Group share	27.4	3.9	+602.6%

  

In millions of euros	As at June 30, 2020	As at Dec 31, 2019	Change
Net cash surplus <sup>iii</sup>	238.8	179.8	+32.8%
Shareholders' equity Group share	632.2	604.8	+4.5%

For the first half of 2020, set back by the health crisis and its economic consequences, the Group recorded a €47.2 million (-29.9%) drop in revenue<sup>(1)</sup> for its media activities, reaching a low point in April 2020, with a reversal in June. The scenario took place as follows:

- In the first quarter, the Group's media revenue<sup>(1)</sup> dropped 13.6% compared to the first quarter of 2019.
- In April and May, the decrease was in line with the estimation of -60%.
- In June, the Group saw a reversal in trends for radio media in France, which was slower in television, but still suffered from the decrease in advertising investments. Media revenue is down 16.6%.
- As a result, in the second quarter, the Group's media revenue<sup>(1)</sup> was hit hard by the consequences of the health crisis and fell 44.4%.

NRJ Group's performance in the first 6 months was marked by the Group's quick response to the brutal drop in advertising revenue<sup>(1)</sup> after the lockdown was announced. As of March 2020, NRJ Group took measures to:

- implement new ways of working to provide listeners, viewers and clients the services they expect, whilst first and foremost preserving its employees' health;
- offer advertisers solutions tailored to their specific communication needs for that period;
- launch a plan to reduce expenses and investments.

€23.1 million were saved in expenses for Radio, Television and Other activities, absorbing almost 49% of the drop in media revenue. In addition, the COVID-19 health crisis has not had a significant impact on the Broadcasting division's revenue<sup>(1)</sup> and profitability in the first half of 2020, even if it has slowed down work on new sites.

Consequently, the Group's current operating loss<sup>(1)</sup> for the first half of 2020 amounted to -€13.9 million. In the first half of 2019, this result was a profit of €10.6 million.

Thanks to the capital gain generated by selling NRJ Group's minority share in Euro-Information Telecom, the financial result recorded an increase of €41.8 million, raising the Net profit Group share to €27.4 million, compared with €3.9 million for the first half of 2019.

The free cash-flow<sup>iv</sup> generated by the Group during the first half of 2020 reached €62.2 million (including a €5.3 million positive impact related to the IFRS 16 accounting standard) and, on June 30, 2020, the Group's net cash surplus<sup>iii</sup> was €284.7 million which, after applying the IFRS 16 standard and taking the €31.5 million in lease liabilities into account, totals €238.8 million.

### **Revenue and current operating profit (excluding barbers) by activity**

In millions of euros	HY 2020	HY 2019	Change
Radio	80.7	112.5	-28.3%
Television	29.9	45.3	-34.0%
Broadcasting	31.0	34.8	-10.9%
<b>Revenue excluding barbers</b>	<b>141.6</b>	<b>192.6</b>	<b>-26.5%</b>
Radio	(6.7)	11.4	n.a
Television	(15.4)	(8.0)	-92.5%
Broadcasting	8.1	8.5	-4.7%
Other activities	0.1	(1.3)	n.a
<b>Current operating profit/loss excluding barbers</b>	<b>(13.9)</b>	<b>10.6</b>	<b>n.a</b>

## **RADIO**

### **In France**

In the first quarter, lockdown measures led to advertisers immediately and massively cancelling their campaigns from 16 March; the local radios and the regional advertising sales houses were closed, and event-related activities were stopped. These unprecedented measures disrupted the positive dynamic that had been recorded up to this point, and caused a 38.2% drop in radio revenue<sup>(1)</sup> in France in March.

The second quarter saw a 44.3% drop in radio revenue<sup>(1)</sup> in France. After April and May, which were heavily affected by the drop in advertising, the Group recorded a more limited year-on-year reduction of 10.7% in June. The improvement was greater for national radio, whose advertising revenue<sup>(1)</sup> in June was similar to that of last year (-1.4%). Once again, thanks to its strength, efficacy and flexibility, radio media enabled advertisers to react swiftly, increasing their traffic and destocking, making it the perfect media for crisis recovery.

Thanks to the core values of its unifying brands that are familiar to French consumers, the Group is the leading commercial radio offer for the high commercial priority targets: the 25–49 age group target<sup>(2)</sup> and the Women Under 50 Responsible for Purchases target<sup>(2)</sup>. NRJ is France's number 1 radio station for listeners in the under-65 age group<sup>(3)</sup>; 'Manu dans le 6/9' is France's number one morning show for listeners in the under-60 age group<sup>(4)</sup>, and 'C'Cauet' is France's number one drive-time radio show for the under-65 age group<sup>(3)</sup>.

In addition, in June, the Group cemented its position as the number one private group for Internet radio<sup>(5)</sup> and the Group's 4 premium radio stations saw simultaneous annual increases<sup>(6)</sup> of 13% for NRJ, 29% for Nostalgie, 23% for Chérie FM and 5% for Rire et Chansons for the radio season from September 2019 to June 2020.

## **Internationally**

In Europe, the Group's radios also worked hard to support their listeners and advertisers. In Germany, Austria and Belgium, the local health measures resulted in a drop in revenue<sup>(1)</sup> in March of 12%, 21% and 27% respectively, and 38%, 22% and 53% in the second quarter. Non-advertising revenue from partnerships in Sweden and Finland has not suffered the consequences of the COVID-19 crisis.

In this exceptional context, the Radio division's revenue<sup>(1)</sup> totalled €80.7 million in the first half of 2020, a decrease of 28.3% (-€31.8 million) compared to the first half of 2019.

The plan to reduce expenses and investments which was quickly implemented enabled savings of €13.7 million, leading to a current operating result<sup>(1)</sup> of -€6.7 million, down €18.1 million compared to €11.4 million for the first half of 2019.

## **TELEVISION**

In the context of the COVID-19 crisis, the TV division's revenue<sup>(1)</sup> reached €29.9 million for the first half of 2020, down €15.4 million compared to the first half of 2019, or -34.0% (-13.7% for the first quarter and -51.9% for the second quarter).

Like the majority of private groups (excluding their 3 news channels, which saw their audience share in the 4+ age group increase by 1.3 percentage points<sup>(7)</sup>), NRJ Group recorded a drop in its audience share in the 4+ age group to 2.3%<sup>(8)</sup> for the period. Adjustments to NRJ 12 and Chérie 25's programme scheduling also disadvantaged the Group's TV division's audiences for the first half of 2020.

€8.0 million were saved over the period and helped reduce the impact of the decrease in revenue<sup>(1)</sup> with a current operating result<sup>(1)</sup> of -€15.4 million, down €7.4 million compared to the first half of 2019. Part of the programming cost savings in the first half of 2020 are only temporary as certain programmes have been postponed until the second half of 2020.

## **BROADCASTING**

As a reminder, in the first half of 2019, towerCast recorded revenue linked to one-off DTT frequency reallocation services, which ended on 30 June 2019. Given this negative base effect, revenue<sup>(1)</sup> for the Broadcasting division in the first half of 2020 totalled €31.0 million, down €3.8 million (-10.9%) compared to the first half of 2019. Discounting this item, the Broadcasting division's revenue<sup>(1)</sup> recorded growth of more than 5% for the first 6 months of the 2020 financial year.

The towerCast market share continued to increase in the first half of 2020, both for DTT (+0.4 percentage points to 25.4%) and for FM (+0.4 percentage points to 24.9%). towerCast continued with significant investments in its infrastructure to, on one hand, offer radio and television producers an alternative offer, and, on the other hand, reduce its own dependency on the historically dominant operator, TDF. towerCast built 13 new sites in the first half of the year, replacing 17 sites from third-party operators. It now operates on 837 sites.

In the first 6 months of 2020, the division was marked by savings in expenses created partly by the lockdown and partly by postponing projects. As such, despite the impact of the lack of one-off services in the first half of 2020 compared to June 30, 2019, the division's current operating profit<sup>(1)</sup> was only down €0.4 million to €8.1 million.

## **Recent change and outlook: COVID-19**

Whilst media revenue<sup>(1)</sup> in France is maintaining its positive trend for July, visibility beyond this point is still severely limited, particularly for the last 4 months of 2020, which will be decisive for the annual revenue<sup>(1)</sup>.

\*\*\*\*\*

**Next release:** Third quarter 2020 financial information: November 4, 2020 (after market close).

### **Additional information:**

A limited review on the condensed interim consolidated financial statements has been carried out. The Statutory Auditors' report will be issued with unqualified opinion once all procedures required to file the half-year financial report have been completed.

The French version of the 2020 half-year financial report will be available on the Group's website [www.nrigroup.fr](http://www.nrigroup.fr) by July 31, 2020 at the latest.

### **APPENDICES**

#### **i Excluding barbers:**

In millions of euros	HY 2020	HY 2019	Change
Revenue excluding barbers	141.6	192.6	-26.5%
Revenue on barbers	4.8	9.3	-48.4%
Revenue	146.4	201.9	-27.5%
Current operating profit/loss excluding barbers	(13.9)	10.6	-231.1%
Current operating profit/loss on barbers	0.7	(1.5)	+146.7%
Current operating profit/loss	(13.2)	9.1	-245.1%

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

In millions of euros	HY 2020	HY 2019
Current Operating Profit/Loss excluding barbers transactions	(13.9)	10.6
Amortisation and impairment of tangible and intangible assets, and net change in provisions	11.4	10.3
Amortisation of right-of-use assets	4.7	4.1
Change in provision for post-employment benefits recognised in personnel expenses	0.7	0.6
EBITDA excluding barter transactions	2.9	25.6

#### **iii Net cash surplus:**

In millions of euros	As at June 30, 2020	As at Dec 31, 2019
Cash and cash equivalents	284.7	229.5
Group's outstanding bank overdrafts and borrowings	(14.4)	(16.0)
Lease liabilities	(31.5)	(33.7)
Net cash surplus	238.8	179.8

#### **iv Free cash flow:**

In millions of euros	HY 2020	HY 2019
Cash generated from operations before interest and taxes	4.8	25.3
IFRS 16 incidence on Cash generated	4.8	4.2
Changes in Working Capital	19.7	1.9
IFRS 16 incidence on Changes in Working Capital	0.5	0.4
Income taxes (paid) / reimbursed	(4.1)	(5.2)
Net cash flows from operating activities (A)	20.4	22.0
Net cash flows from investing activities (B)	41.8	(9.4)
Free cash flow (A)+(B)	62.2	12.6

Sources:

- (1) Consolidated revenue excluding barbers, not audited, and according to IFRS standards.
- (2) Médiamétrie, 126 000 radio, January-March 2020, NRJ Global, Monday-Friday, 5h-24h, target specified, AC, QHM and PDA.
- (3) Médiamétrie, 126 000 radio, January-March 2020, NRJ, Monday-Friday, 13-64 age group, 5h-24h (NRJ), 16h00-20h00 (C'CAUET), AC.
- (4) Médiamétrie, 126 000 radio, January-March 2020, NRJ, Monday-Friday, 13-59 age group, 6h00-9h30 (MANU DANS LE 6/9), AC.
- (5) ACPM-OJD, global digital radio broadcasting, June 2020, active listening sessions +30 seconds, data for France, NRJ Group: 35,821,609 active listening sessions.
- (6) ACPM-OJD, global digital radio broadcasting, Season September 2019-June 2020, Groupe NRJ & Radios, active listening sessions +30 seconds, data for France and annual change, Radio Premium NRJ = 90,057,264 sessions in Season 19-20 vs. 79,586,335 in Season 18-19, NOSTALGIE = 50,090,574 sessions in Season 19-20 vs. 38,737,892 in Season 18-19, CHERIE FM = 42,234,987 sessions in Season 19-20 vs. 34,339,365 in Season 18-19, RIRE & CHANSONS = 21,125,433 sessions in Season 19-20 vs. 20,061,585 in Season 18-19.
- (7) Médiamétrie-Médiamat, Audience share, Day of viewing, (BFM TV+LCI+CNEWS), aged 4 years, 03h-27h, Monday to Sunday, HY 2020 vs HY 2019, change in points.
- (8) Médiamétrie-Médiamat, NRJ GROUP TV Division = aggregate NRJ 12 + Chérie 25, Audience share, Day of viewing, aged 4 years, 03h-27h, Monday to Sunday, HY 2020 vs HY 2019.

**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 Universal Registration Document, which is available on its website ([www.nrjgroup.fr](http://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](http://www.nrjgroup.fr)  
FTI Consulting – Arnaud de Cheffontaines | Cosme Julien-Madoni / Tel: + 33 1 47 03 68 19 / e-mail:  
[nrjgroup@fticonsulting.com](mailto: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