

2010 Financial Report

Financial Report Media Conference of 12 April 2011
Martin Kall and Sandro Macciacchini, Tamedia AG



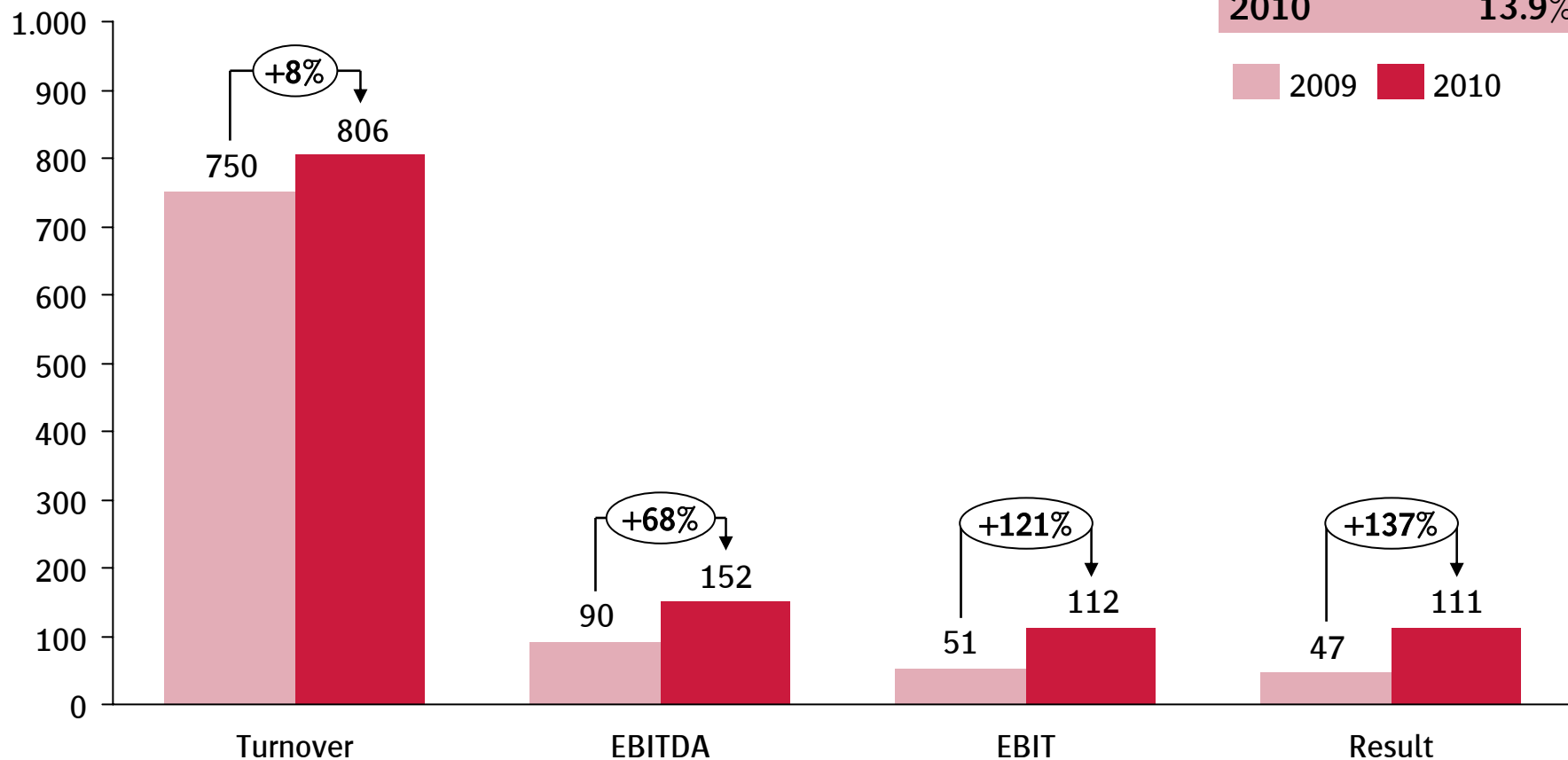
Annual Report 2010: Overview

Martin Kall

Chief Executive Officer

Strong improvement in result with weak growth in turnover

in CHF mill.

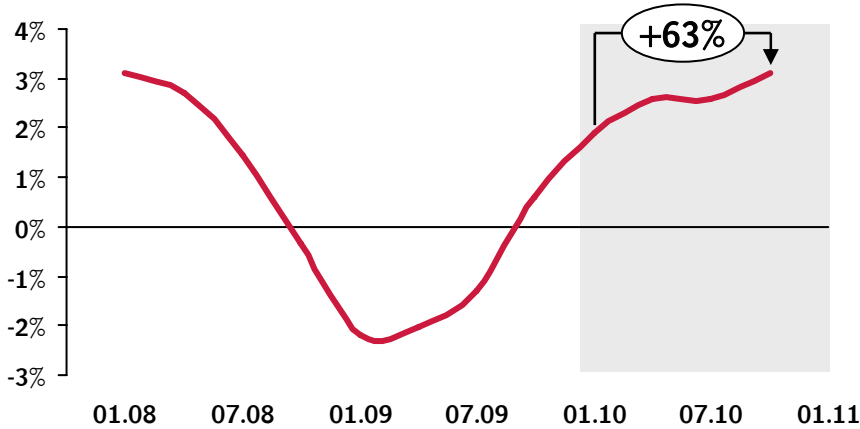


EBIT margin*	
2009	6.8%
2010	13.9%

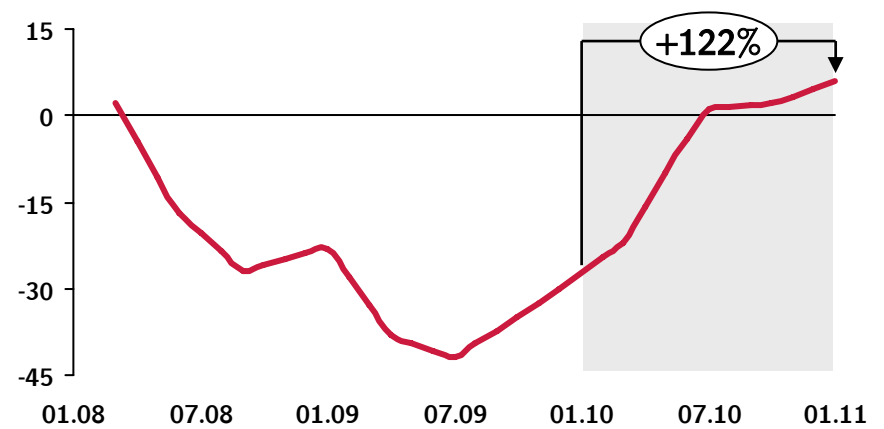
2009 2010

Surprisingly strong economic recovery leads to a...

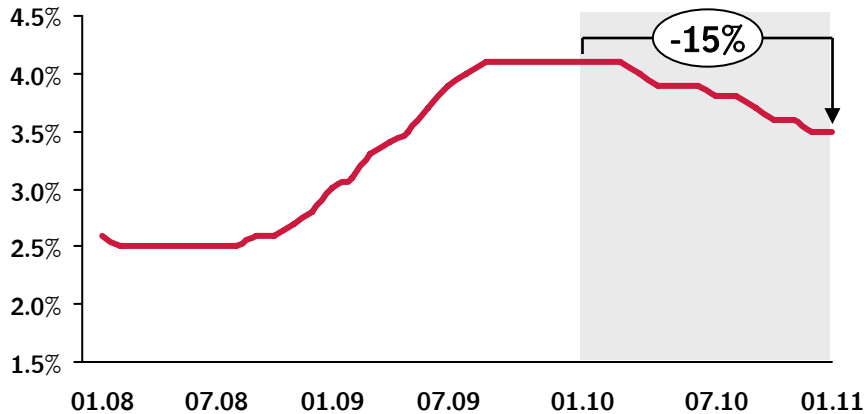
Change in real BIP (in per cent)



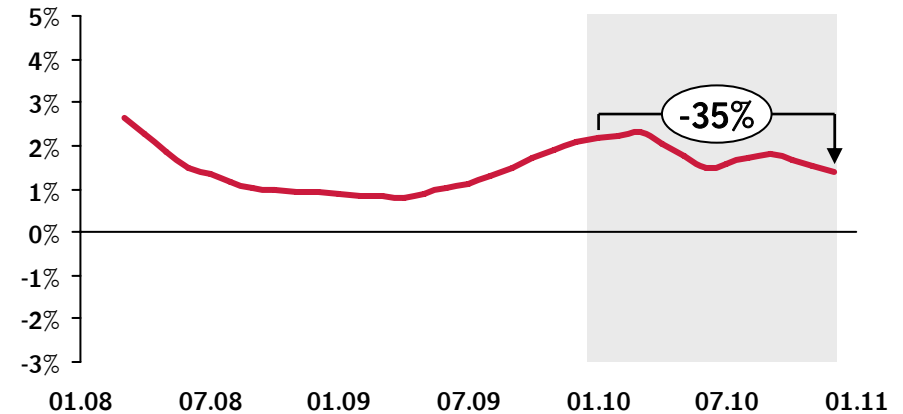
Consumer climate index (index points)



Unemployment rate (in per cent)



Change in private consumption (in per cent)

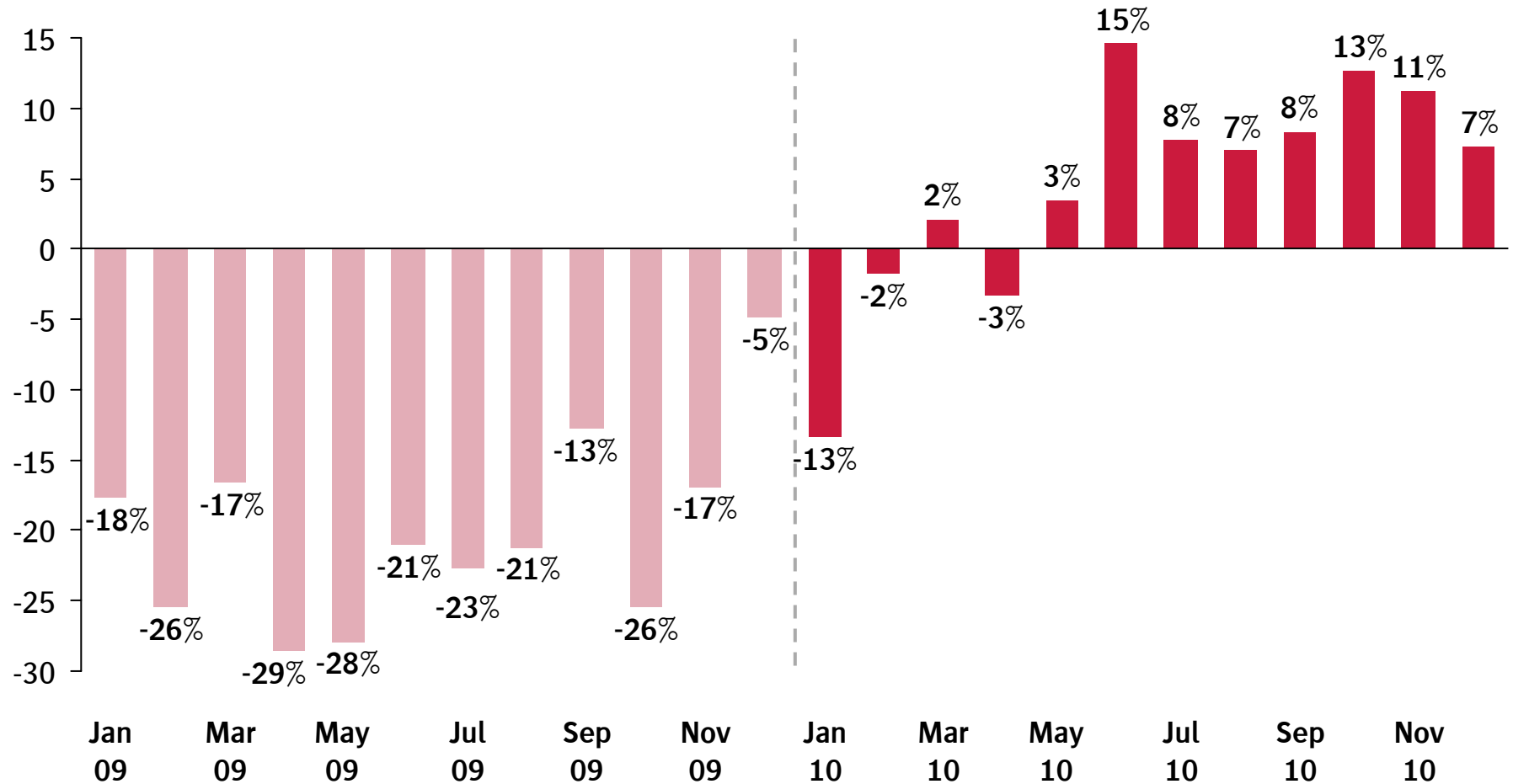


Source: Staatssekretariat für Wirtschaft SECO

tamedia:

...Growth in advertising investments in the second half-year

Change in net advertising turnover print compared to same month in prior year (in per cent)



Source: Advertising statistics 2009/ 2010/ 2011

...numerous growth projects influence the 2010 results positively

1

20 minutes



- Cooperation of Print and Online editing
- Wider reach than in German speaking Switzerland
- Jump into the profit-zone after merger in 2009

2

L'essentiel



- Development of online portal and expansion with content in German
- Newspaper with widest coverage in Luxembourg
- Double-digit margin

3

20 Minuten Friday



- Edition now 186,000
- Again increased readership
- Strong turnover growth
- Positive result for the first time in the fourth quarter

4

Classified Online



- Development of new on-line marketplace organization
- Strong turnover growth and significant improvement in result

5

search.ch



- Better data quality
- Increasing user numbers thanks to expanded services
- Expansion of selling
- Significant growth in the classified ad turnover

6

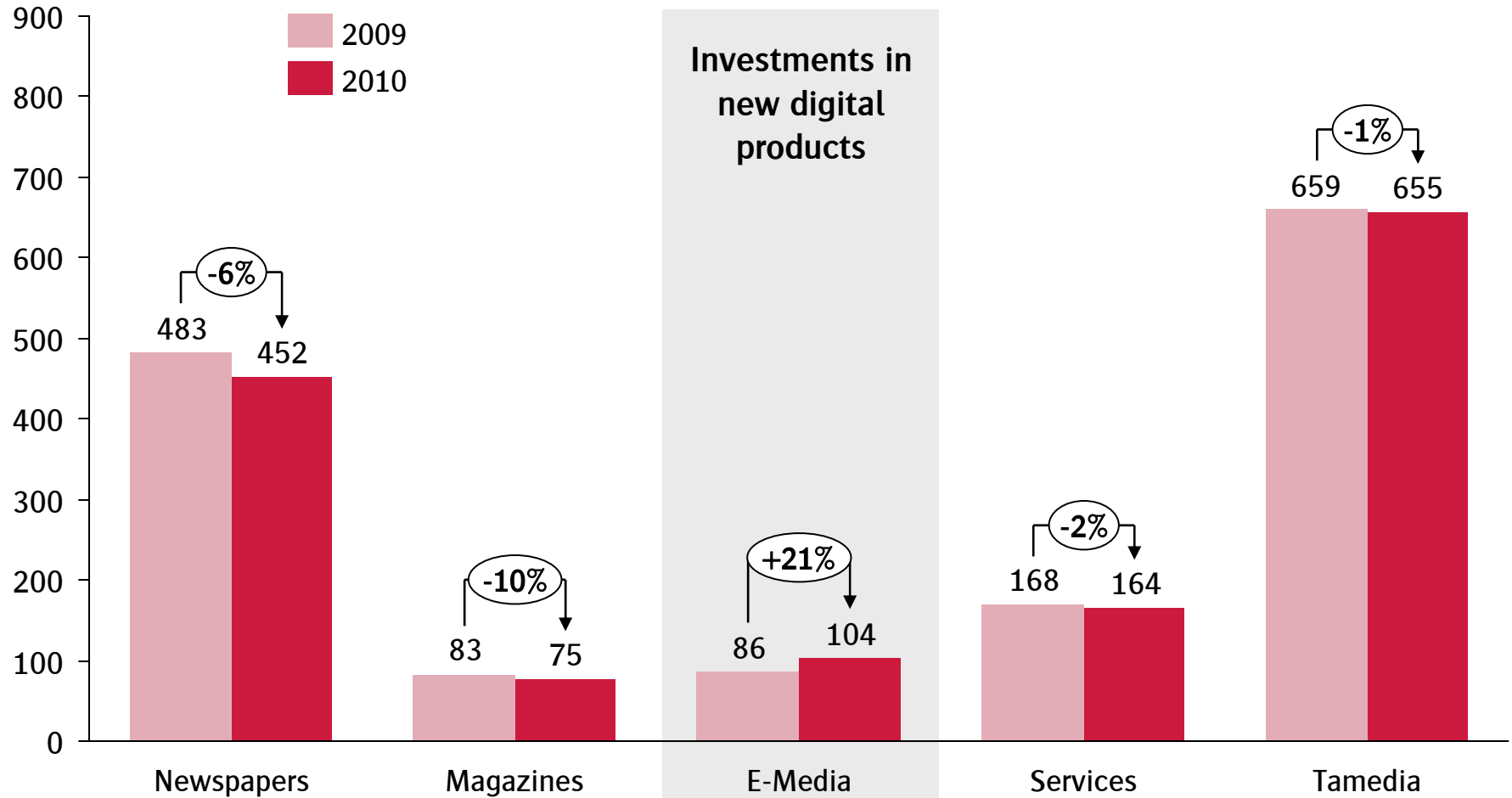
Newsnetz



- Expanded editing gives higher user numbers
- New application for iPad
- First time profit on an annual basis thanks to strong advertising growth

Measures to increase efficiency lead to decrease in costs

Cost development by Division 2010 compared to 2009 in CHF millions



Subscribed regional newspapers back in the profit zone

Newspapers	* 2009	•2010	2009/10
Revenue	496	521	5.1%
EBIT	10	65	547%
EBIT margin	2.0%	12.5%	

Division in overview

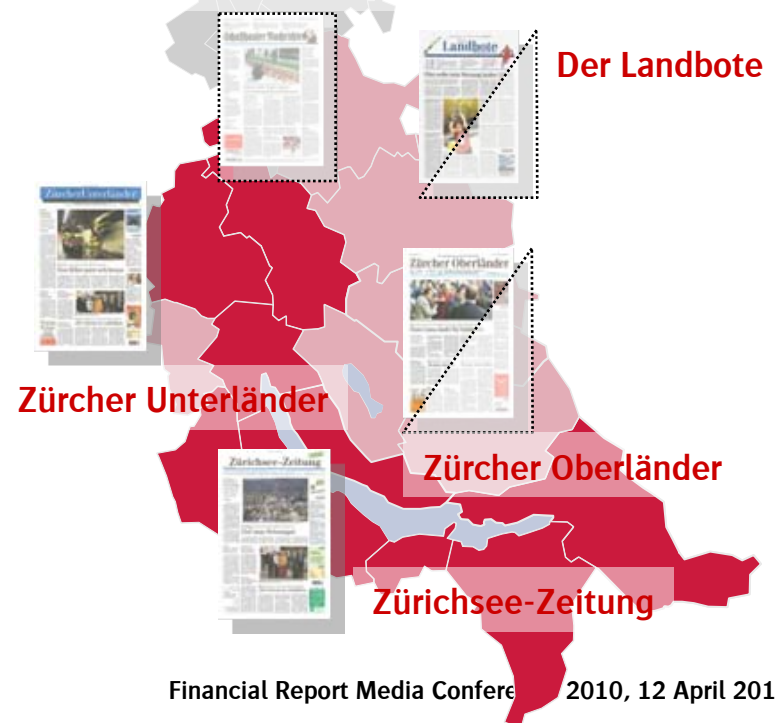
- Positive future perspectives in the regional newspapers thanks to a significant increase in efficiency
- Newspaper union BZ Berner-Zeitung and Der Bund increases advertising revenues
- Freesheet 20 Minuten remains clearly the daily newspaper with the largest readership and again increases its advertising revenue
- Freesheet 20 minutes achieves profitability in 2010 earlier than expected

* Figures for 2009 and 2010 both without areas discontinued in 2010

Turnaround at the regional newspapers

- Newspaper network Zürcher Regionalzeitungen ZRZ plus assures a second newspaper system in Zurich Region
- Cooperation with the Tages-Anzeiger in local reporting

Schaffhauser Nachrichten

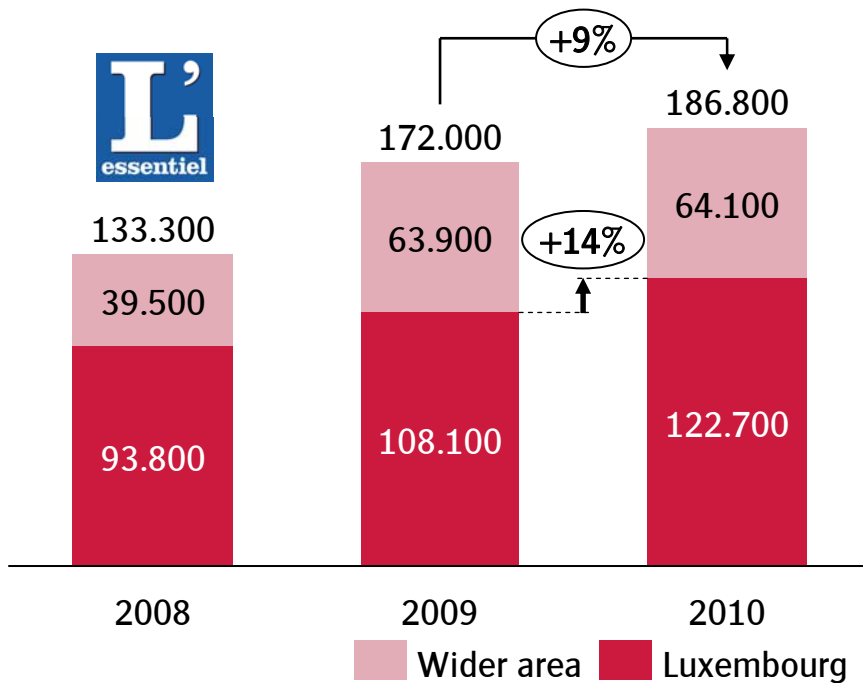


Luxembourg: Freesheet L'essentiel has double-digit margin

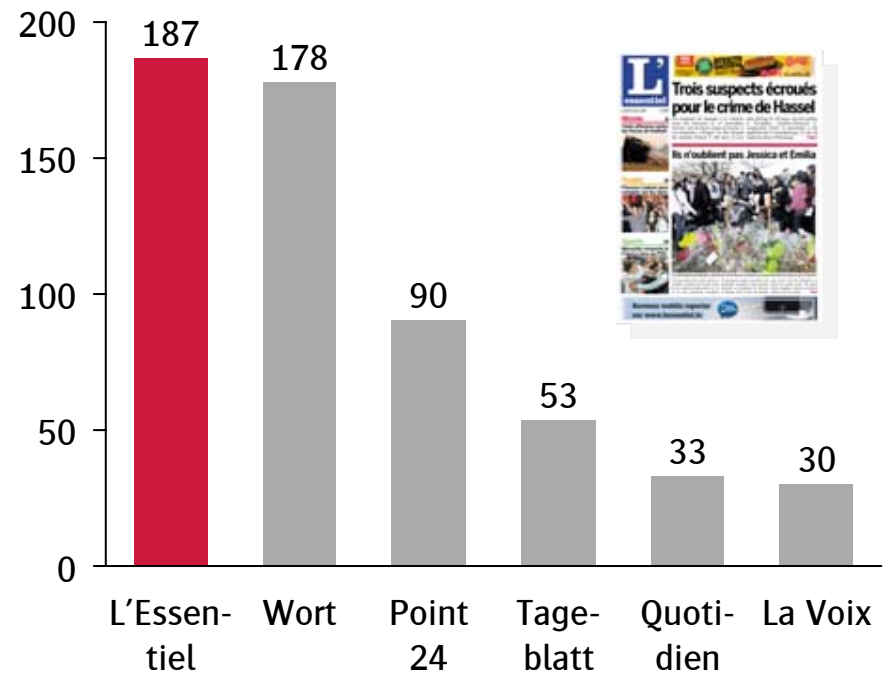
Growth in readership and advertising revenue

- The freesheet L'essentiel now has the largest readership in the Grand-Duchy of Luxembourg and is the only title with a significant growth
- L'essentiel was in 2010 honoured for the second time as «Media of the Year» in the «Luxembourg Marketing & Communication Awards 2010»

Development of readership L'essentiel



Readership of daily newspapers (thousands)



Schweizer Familie as driving force; Friday exceeds expectations

Magazines

* 2009 * 2010 2009/10

	* 2009	* 2010	2009/10
Revenue	95	97	2.2%
EBIT	12	17	45.8%
EBIT margin	12.2%	17.4%	-

Division in overview

- Decrease in printing costs thanks to new external print contracts
- Schweizer Familie is again the driving force of the Magazines Division
- Concentration on the core titles Automobil Revue and Schweizer Bauer leads to a satisfying development of the result for the special interest media Agrar and Mobil

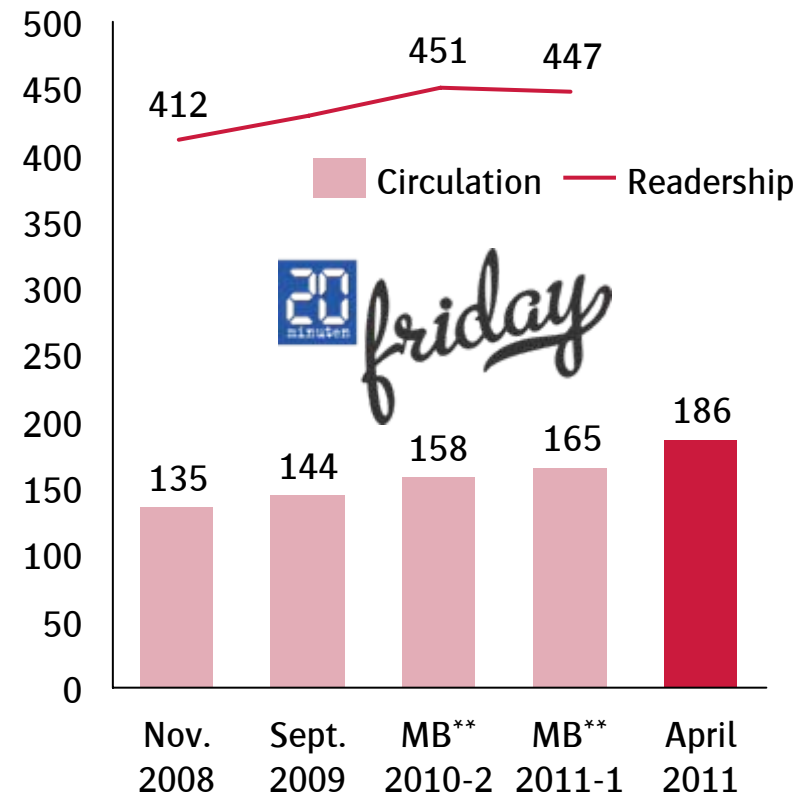
* Figures for 2009 and 2010 both without areas discontinued in 2010

** WEMF AG, Mach Basic

tamedia:

20 Minuten Friday on growth-course

- 20 Minuten Friday constantly increases readership and edition and reaches profitability in Q4 2010



Investments in online media lead to strong growth in 2010

E-Media	* 2009	* 2010	2009/10
Revenue	93	119	27.6%
EBIT	-1	9	754%
EBIT margin	-1.5%	7.8%	-

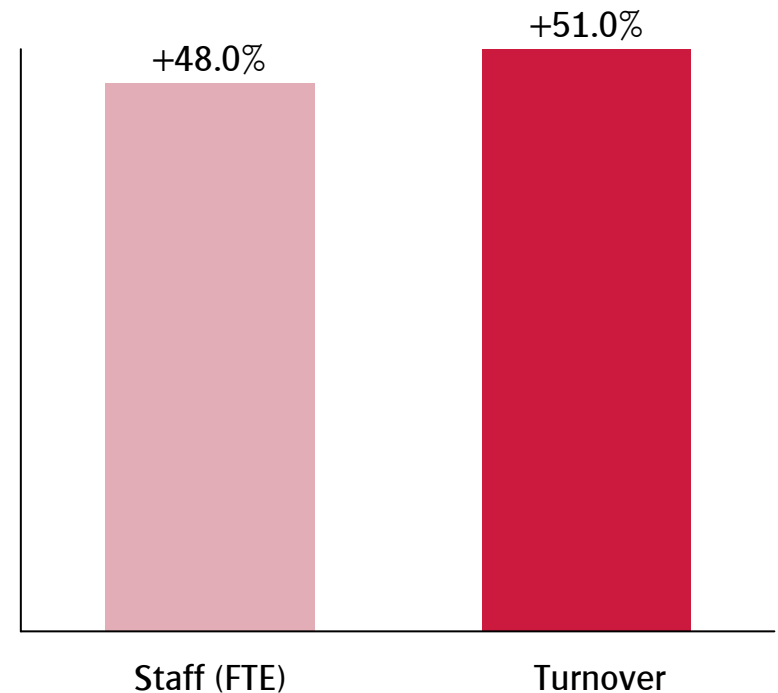
Division in overview

- Very satisfactory picture at the regional radio stations, inconsistent picture at the regional TV stations
- Development of turnover and result at 20 Minuten Online and Newsnetz exceeds the expectations; both platforms profitable
- Combination of the classified online products with Edipresse Switzerland; strong growth of the job platforms, market leadership in the user market for the first time

Investments in expansion search.ch

- Expansion of the index platform search.ch after take-over of 75 per cent participation at end of 2009

search.ch



* Figures for 2009 and 2010 both without areas discontinued in 2010

Increased efficiency largely compensates decrease in volume

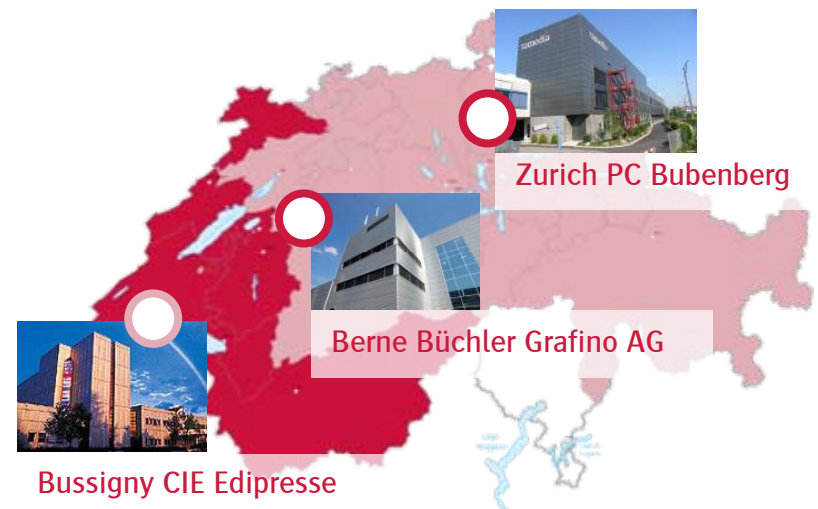
Services	* 2009	* 2010	2009/10
Revenue	226	210	- 6.9%
EBIT	31	21	- 30.3%
EBIT margin	13.5%	10.1%	-

Division in overview

- Decline in turnover at Production Services, planned transfer of the production of individual advertisements to a partner
- Cooperation with the Swiss Post in early delivery has proved itself
- Decreasing volumes and print prices with significant decline in turnover and result at the print centers Berne and Zurich

Print strategy with three locations

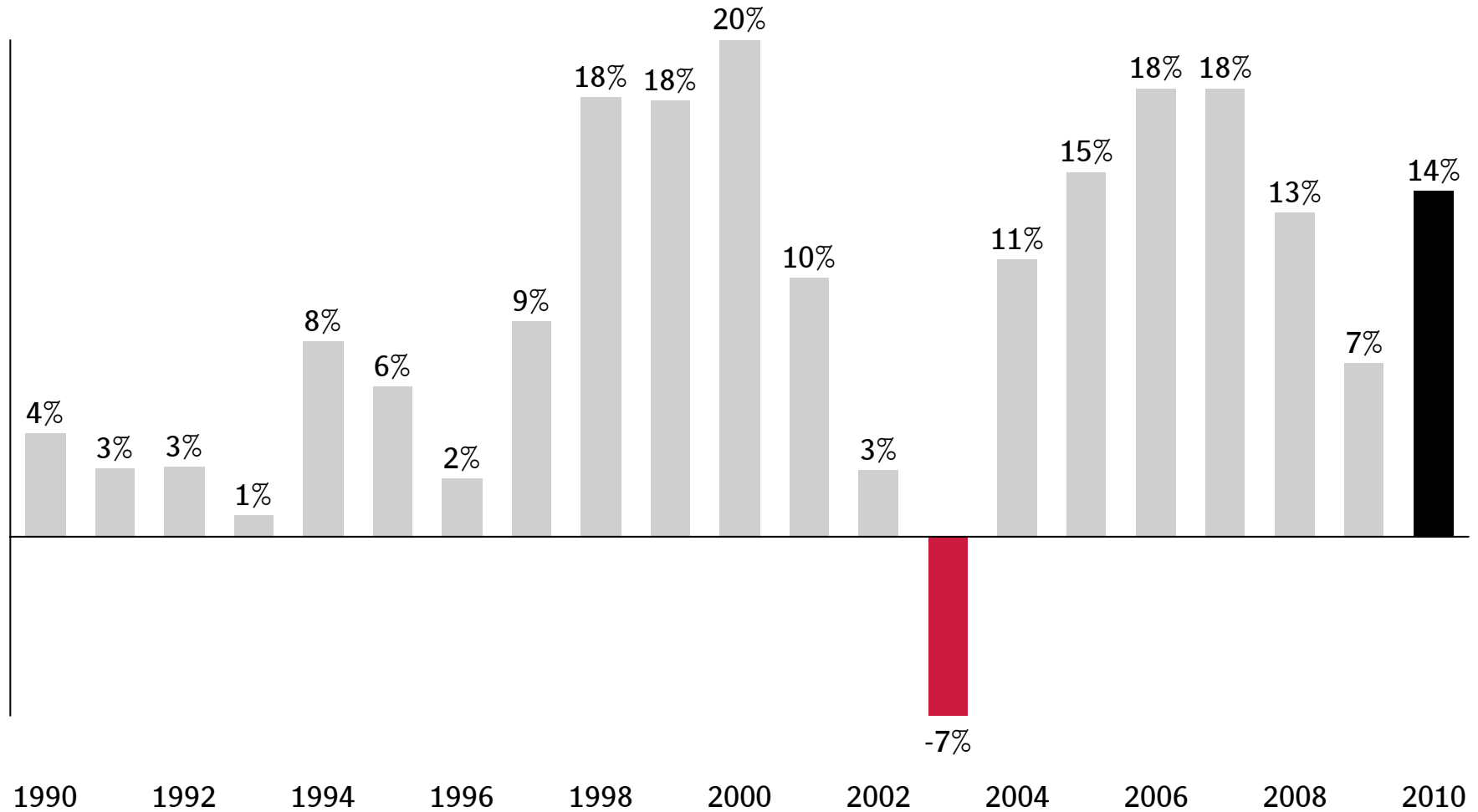
- Concentration of the print orders in Canton Zurich in the print center Bubenberg, expansion of a print line
- Take-over of print orders from Bussigny by print center Berne
- Investments in the print center CIE Edipresse in Bussigny



* Values for 2009 and 2010 both without areas discontinued in 2010

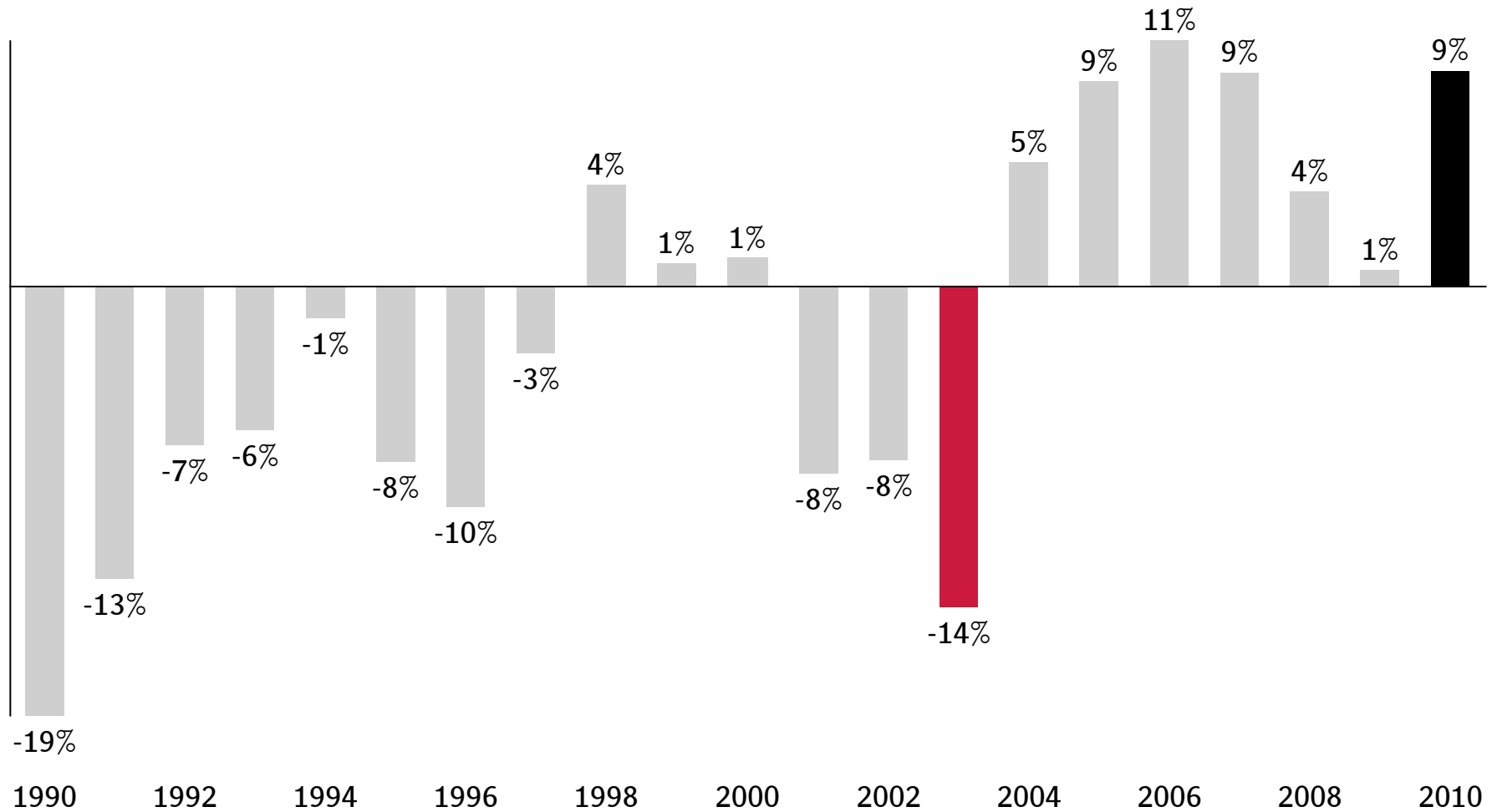
Pleasing EBIT margin in an slow growing advertising market

Development of Tamedia EBIT margin since 1990



Appealing profitability also without job advertisements

Development of Tamedia EBIT margin without job advertisements since 1990



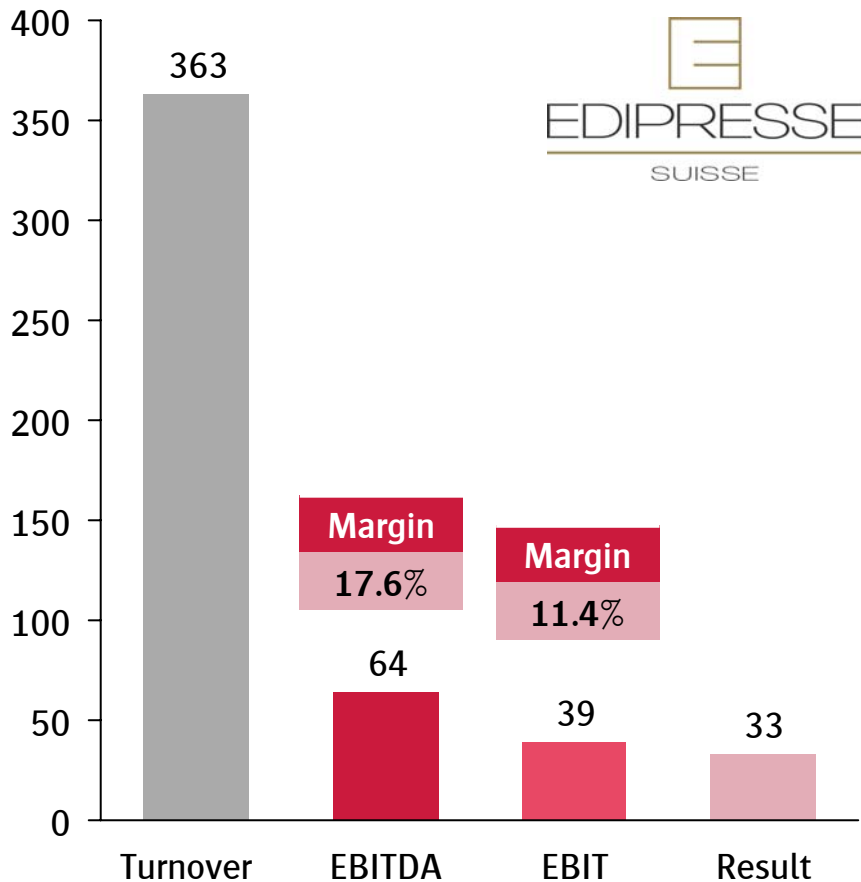
Board of Directors proposes a distribution of CHF 4 per share

Nominal dividends in CHF and distribution quota in per cent since listing in 2000

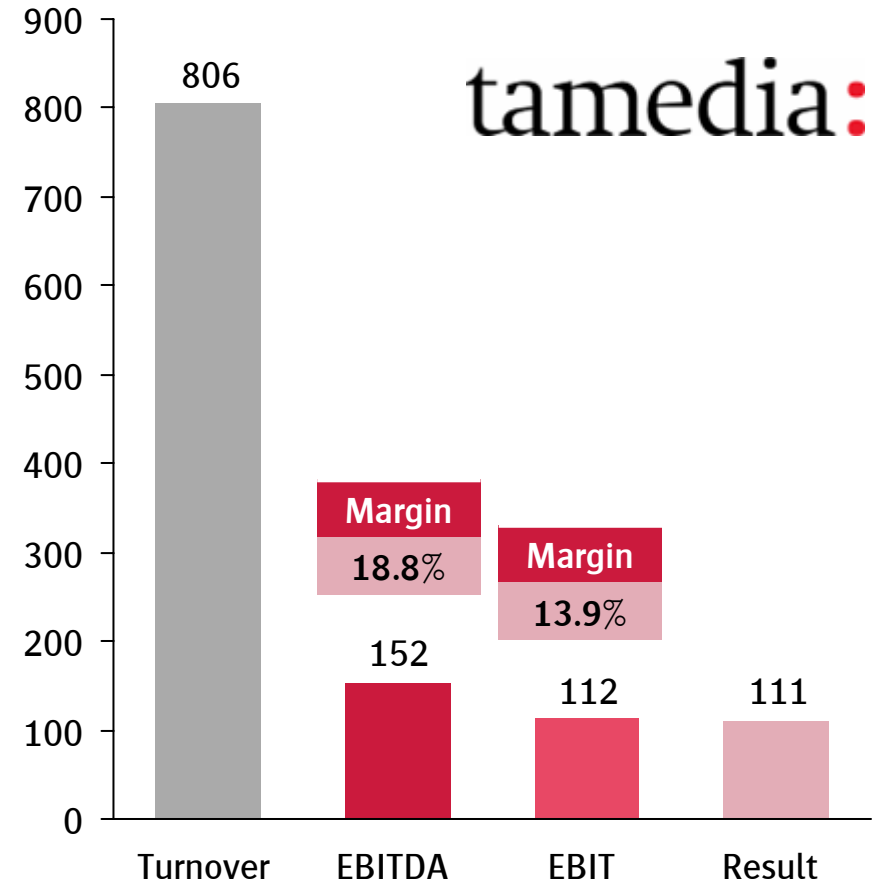


Edipresse Switzerland demonstrates its potential for profitability

Key figures Presse Publications SR S.A.
(Edipresse Switzerland) 2010 in CHF mill.



Key figures of Tamedia AG 2010 in CHF mill.



Completion brought forward because of positive development

Milestones of the merger of Edipresse Switzerland and Tamedia



Communication
Edipresse Switzerland and Tamedia announce merger

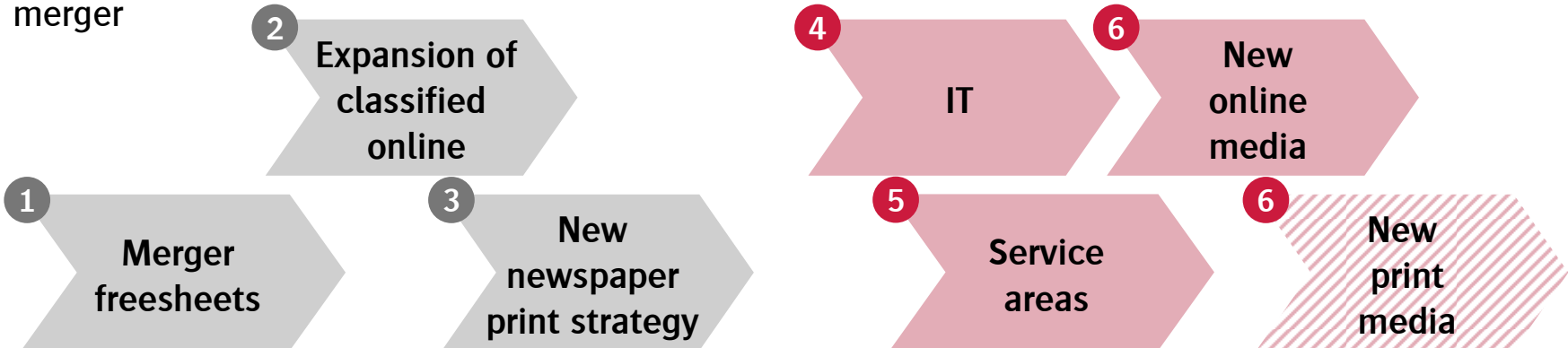
1st Step
Tamedia takes over 49.9% of Edipresse Switzerland for CHF 206 mio. in cash

2nd Step
Tamedia increases its participation by 0.2 per cent for CHF 1 mio.

3rd Step
Takeover of remaining 49.9% in the course of 2011

1st price inst.
Purchase price of CHF 200 mio. in cash by 1 March 2012

2nd price inst.
Additional CHF 69 to 130 mio. plus 250,000 Tamedia shares



Edipresse: significantly improved result already in 2011

Expansion of Classified Online and 20 minutes

- Tamedia anticipates for the current year a further improvement in the result of the freesheet 20 minutes in Western Switzerland
- The classified online organization developed jointly with Edipresse – supplemented by car4you.ch – is to be further extended in 2011 and achieve an again increased contribution to the result

One-time effects fall away

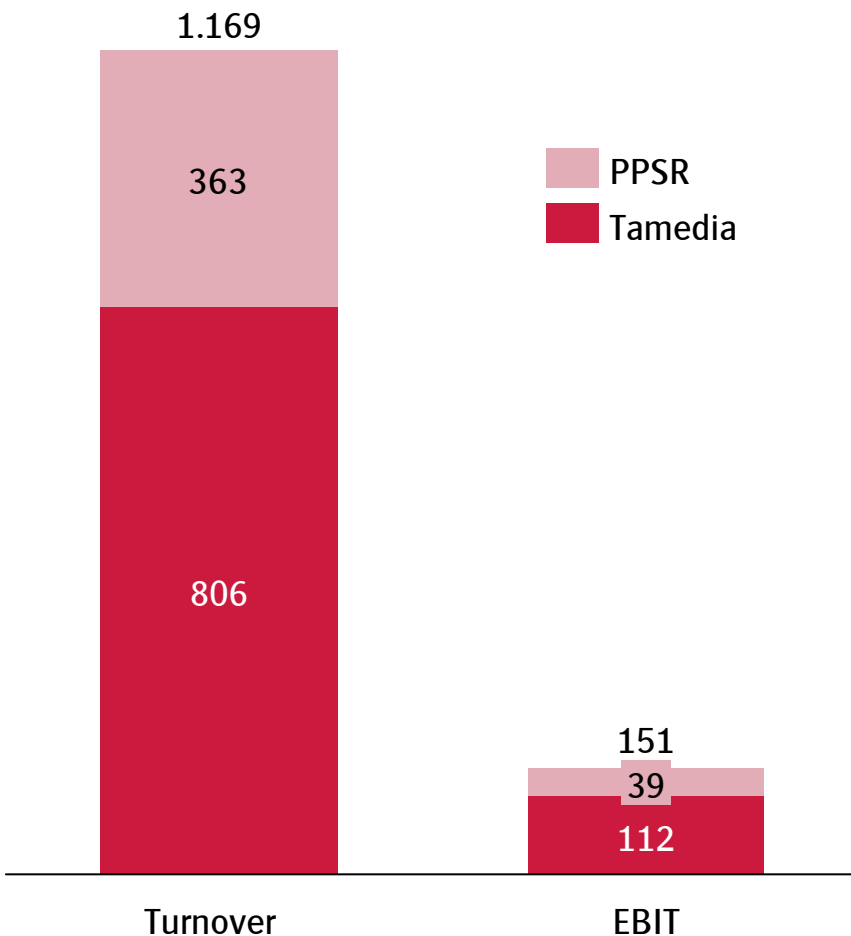
- Various one-time costs, which depressed the 2010 result, fall away in the current year
- These are restructuring costs and extraordinary depreciation on print-machines in CIE Edipresse

Effects of improved efficiency

- The new print strategy and the efficiency improvement measures already implemented will have a positive effect
- The projects for the merger of the services planned for 2011 are not yet taken into account

New Tamedia: over CHF 1.1 bill. turnover and CHF 151 mill. EBIT

Key figures of the new Tamedia based on the results of 2010



Turnover of more than CHF 1.1 billion

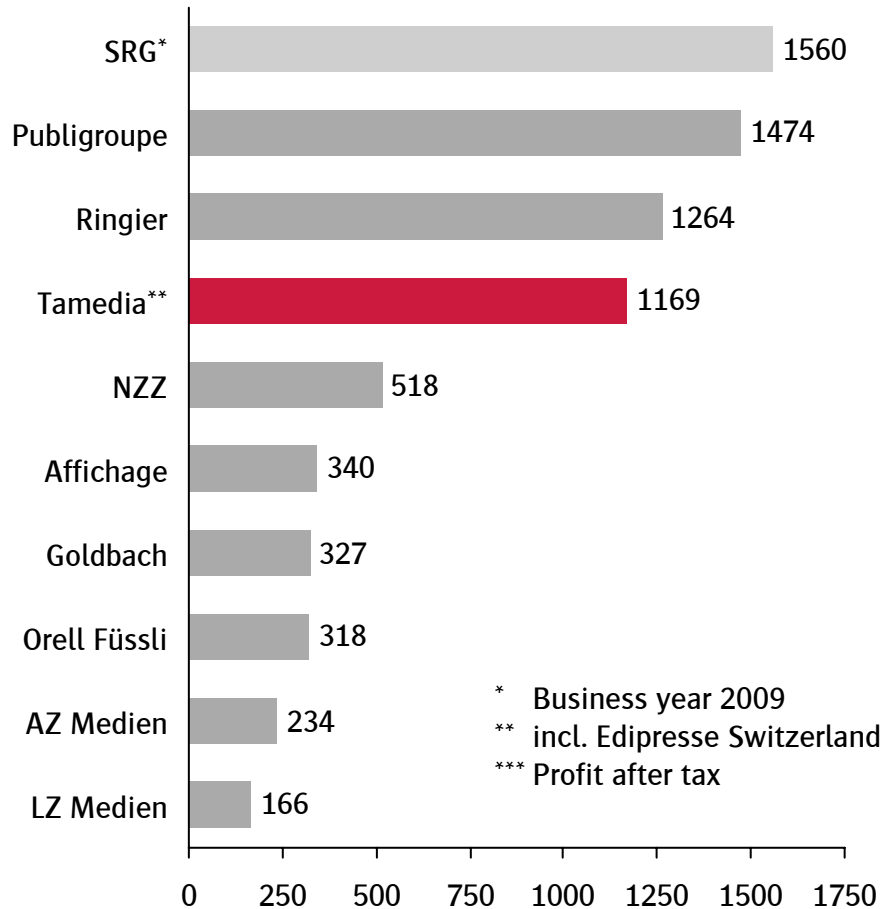
- On the basis of the results of 2010, Tamedia achieves, together with Edipresse Switzerland, a turnover of more than CHF 1.1 billion
- Tamedia was able to almost double the EBIT margin from 7 to 14 per cent, the EBIT margin of PPSR reached 11 per cent
- The businesses would together achieve an EBIT of CHF 151 million for 2010

EBIT margin of 15 to 20 per cent as goal

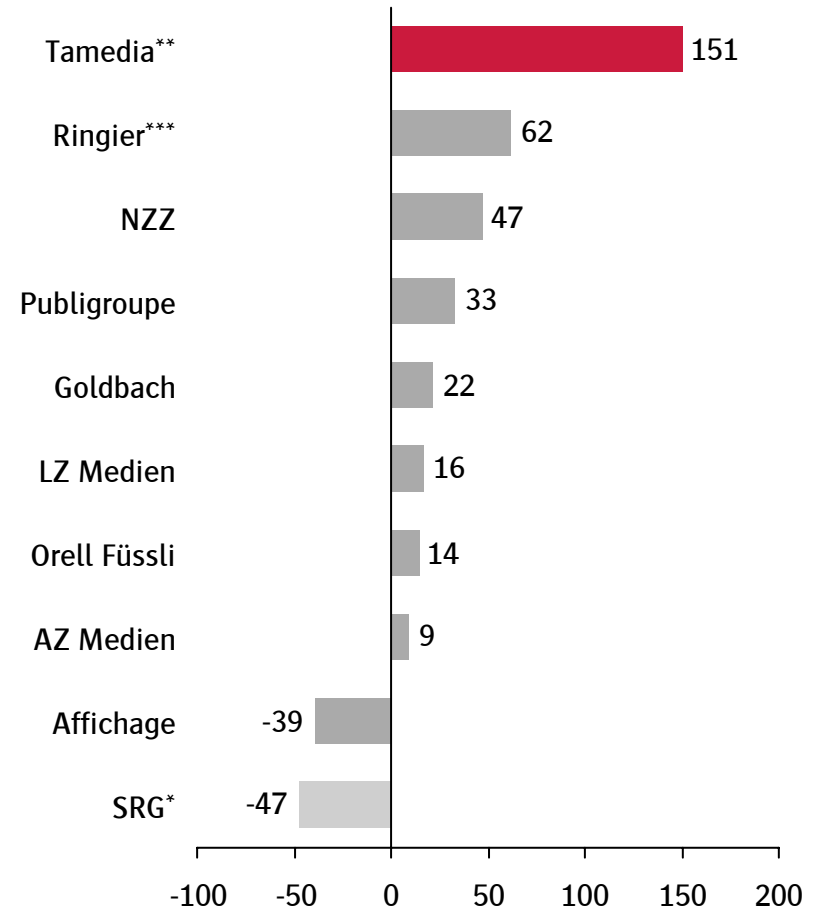
- Tamedia's goal is to achieve an EBIT margin of 15 to 20 per cent over the course of an economic cycle
- Based on this goal, the new Tamedia could achieve an EBIT of over CHF 200 million

Tamedia is Number 4 by turnover and Number 1 by result

Leading media companies: turnover in CHF millions in the year 2010



Leading media companies : Result (EBIT) in CHF millions in the year 2010



National media company with newspapers, magazines and digital

Edipresse Switzerland

6 Daily and Sunday newspapers



3 Magazines



8 Online platforms



Tamedia

7 Daily and Sunday newspapers



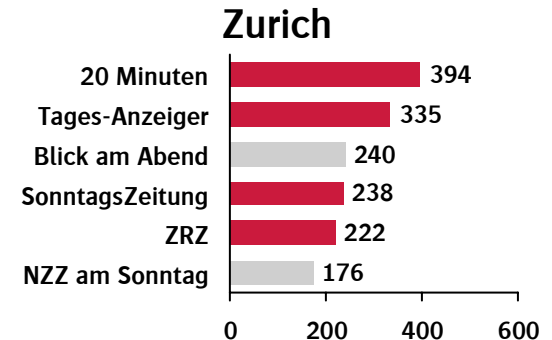
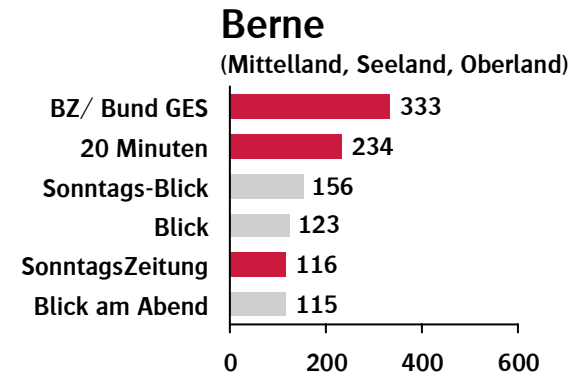
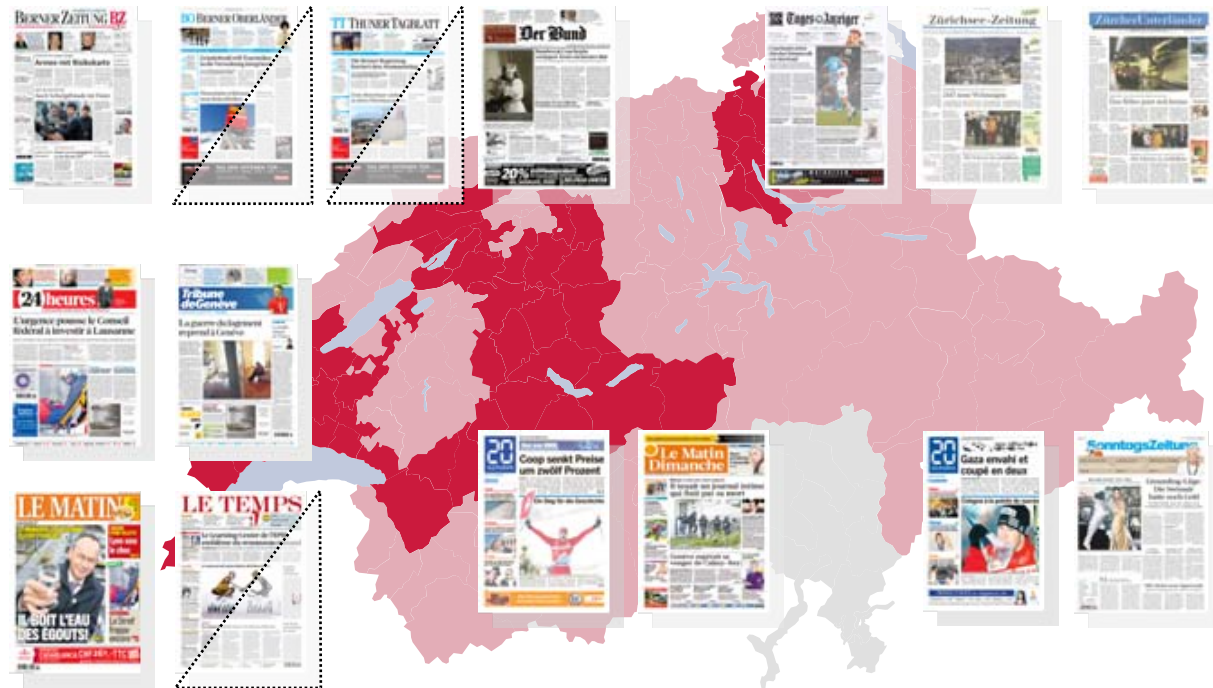
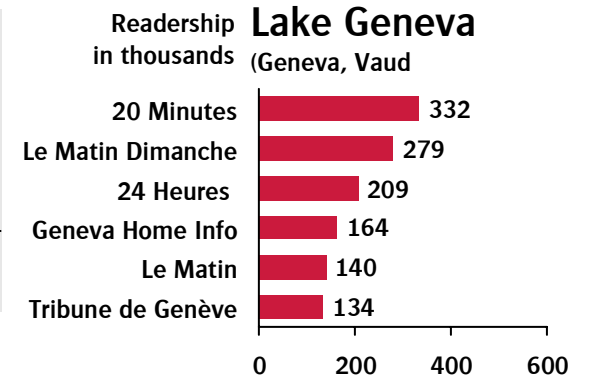
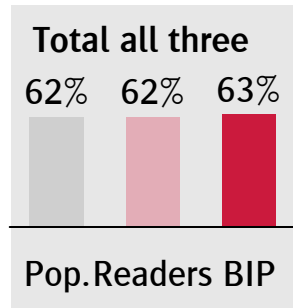
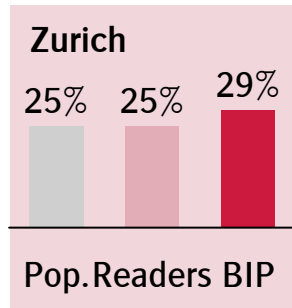
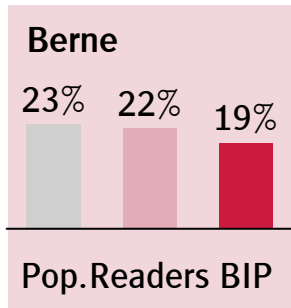
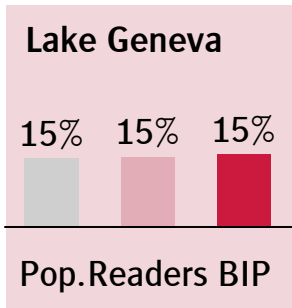
6 Magazines



10 Online platforms



Newspapers in three attractive Swiss economic regions

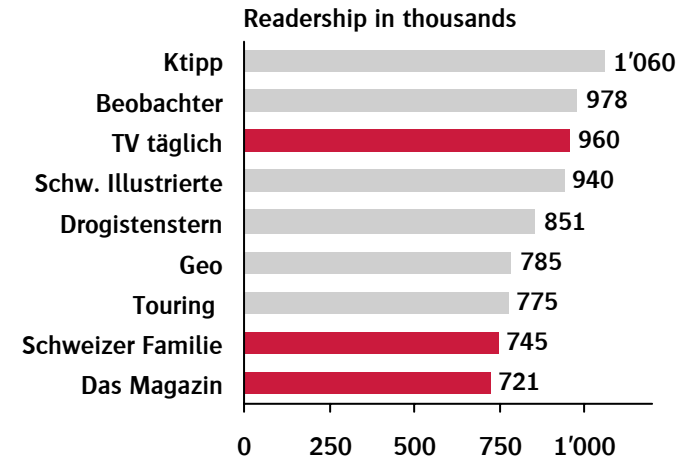


Source: BAK Basel Economics; Readership Wemf Mach Basic 2011-1

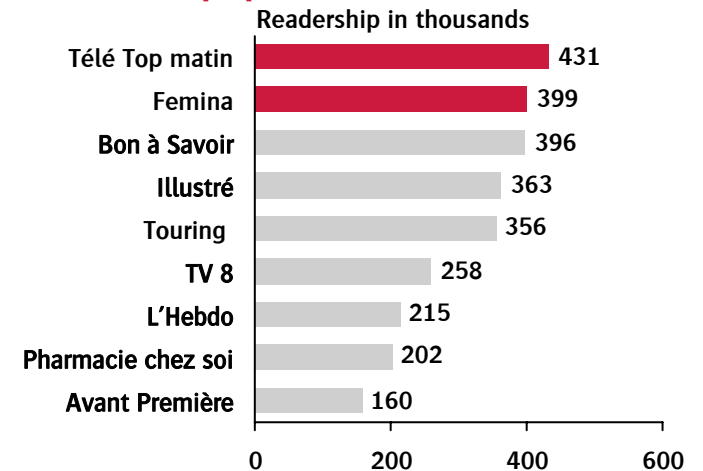
Magazines as a strong supplement to the newspaper portfolio



Newspapers German-speaking Switzerland



Newspapers Western Switzerland



Source: MACH-Basic 2011-1 DCH/ WCH; Guide TV Loisirs not included in MACH Basic

Evaluation of sale of radio and TV activities and Automobil Revue

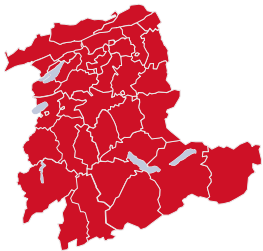


TeleBärn

Founded on 1 March
1995

43 employees

Reception area:
Cantons of Berne,
Fribourg and
Solothurn

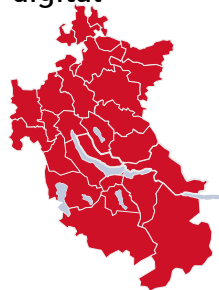


TeleZüri

Founded on 3 October
1994

72 employees

Reception area:
Zurich region and
nearby areas, whole
of Switzer-land
digital

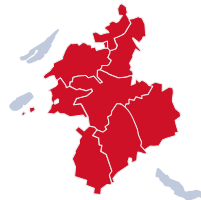


Capital FM

Founded on 1
November 1983

20 employees

Reception area:
Extended Berne
region



Radio 24

Founded on 13
November 1979

35 employees

Reception area:
Cantons of Zurich and
Glarus



Automobil Revue

Founded in January
1906

23 employees

Weekly specialist
newspaper with
readership of
180,000; Revue
Automobile appears
every second week

Evaluation by the end of the year on the basis of various criteria

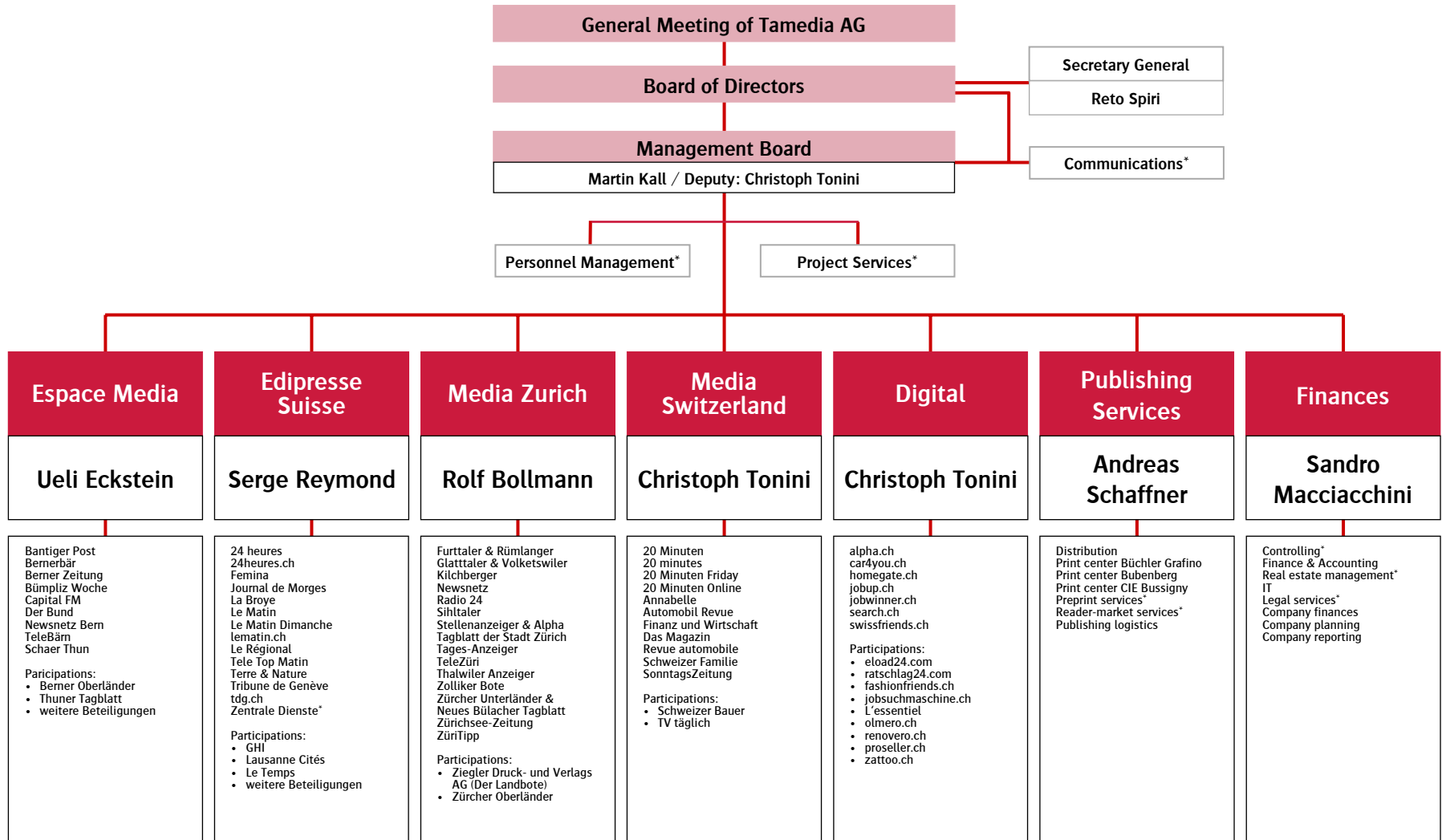
Evaluation of a sale by the end of 2011

- Discussions with possible purchasers will be commenced in the coming weeks
- The evaluation of a sale of the media is to be concluded by the end of the year

Various decisive criteria

- Among others, the following criteria will be decisive for a sale of the radio and TV stations and the specialist media Agrar and Mobil
 - clear concept for the further development
 - perspectives for the employees
 - effects on the media diversity
 - sale price
 - possible cooperation in partial areas

New company organization implements strategy consequently



* Duties and organization of the central service areas Controlling, Preprint, Real estate, Communications, Reader-market Services (Call Centers), Personnel, Projects and Legal services will be defined in the coming months

Strengthening the Board of Directors and the Management Board

Members of the Board of Directors and the Management Board from 6 May 2011



Chairman of the Board of Directors



Chief Executive Officer

**Deputy Chief Executive Officer
Digital & Media
Switzerland**

Media Zurich

Espace Media Berne

Finances

Edipresse Switzerland

Publishing Services

* Proposal to the General Meeting of Friday, 6 May 2011

Two proven media experts with many years' experience

Brief biography Tibère Adler



- Since 2005 CEO of Groupe Edipresse
- Born in Geneva in 1963
- Law studies at the University of Geneva
- Lawyer's examination and program for executive

development at IMD in Lausanne 1999

- Since 1993 with Groupe Edipresse as legal counsel, later as Head of Human Resources, Administrative Manager, Secretary General, Director of Edipresse Online and Deputy CEO
- 2003 to 2005 CEO of Edipresse Switzerland

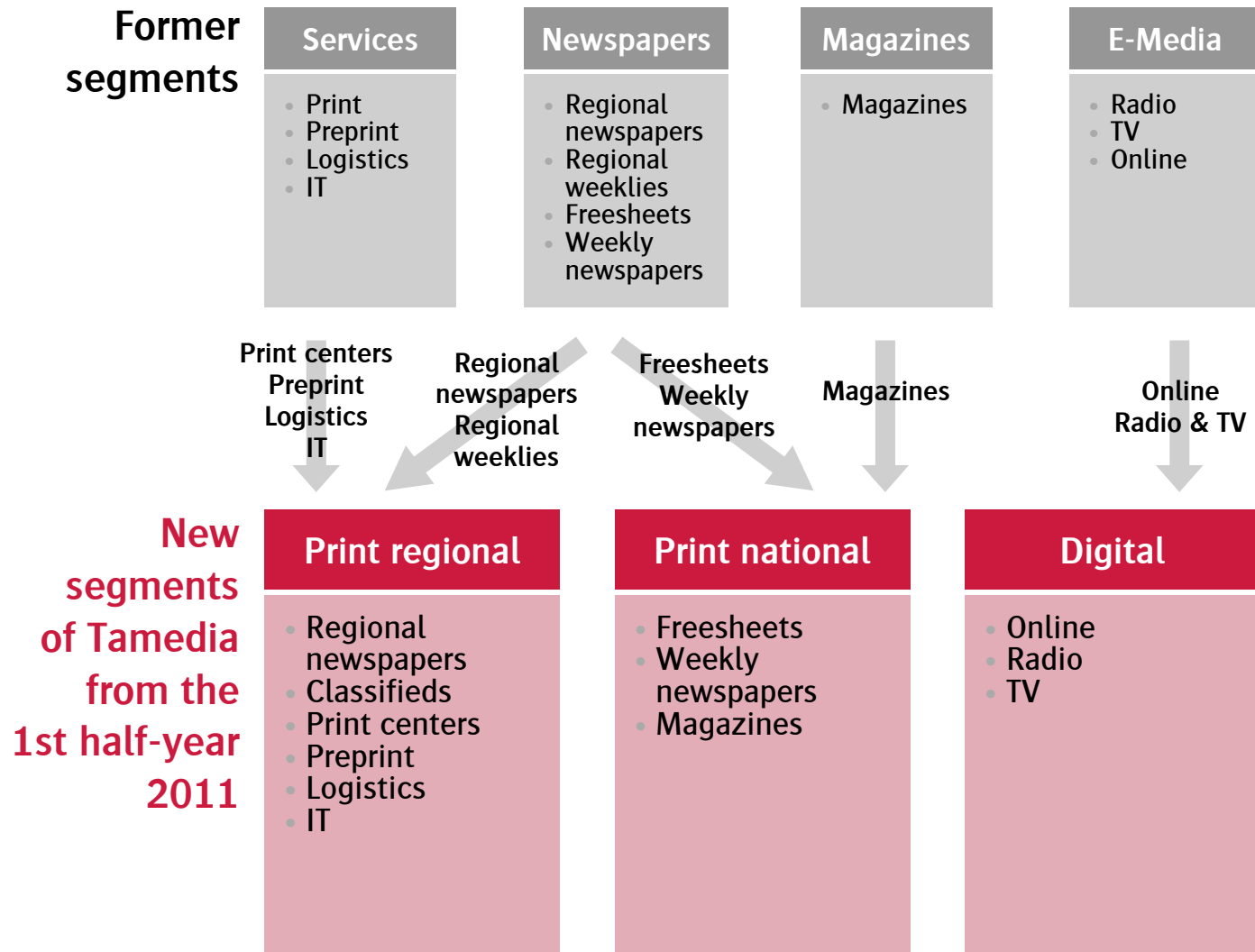
Brief biography Serge Reymond



- Since 2009 CEO of Edipresse Switzerland
- Born in Lausanne in 1963
- Mathematics and economics studies at the University of Lausanne

- Formerly management duties at Galenica and in the Swatch Group
- From 1997 with the distribution and kiosk company, Naville SA; 2007 to 2009 CEO of Naville SA
- Since 2009 with Edipresse, first as Deputy CEO

Three strong segments: Print regional, Print national, Digital



Attractive sites in the areas News, Marketplaces and Services

News



Marketplaces

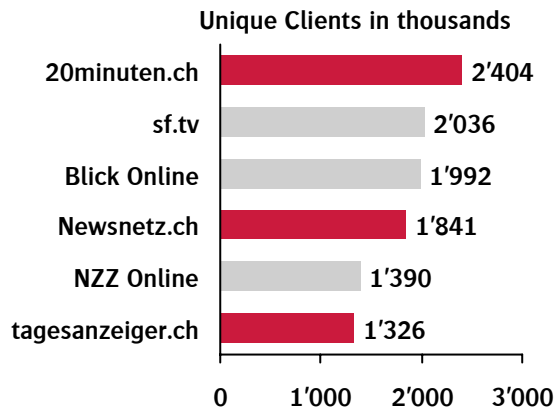


Services



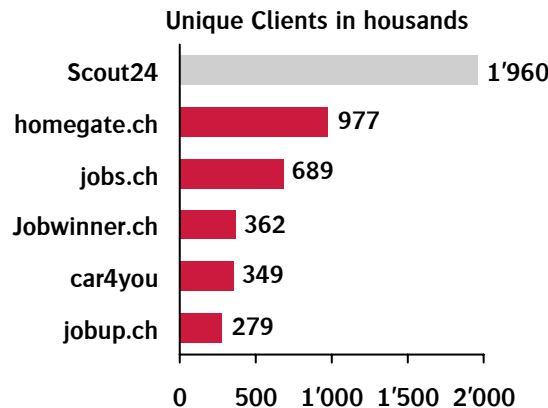
Core business advertising

- Leading products with 20 Minuten Online and Newsnetz



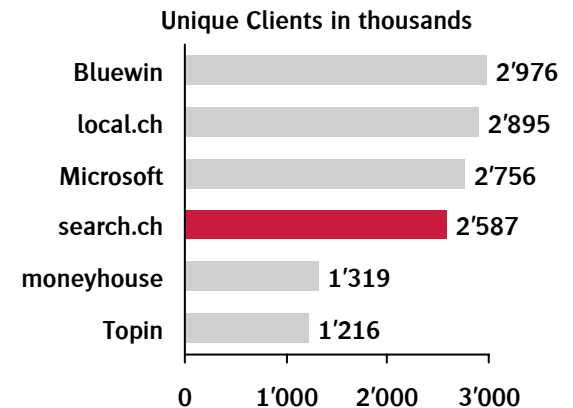
Core business classified ads

- Leading sites such as Homegate, Jobup and Swissfriends.ch



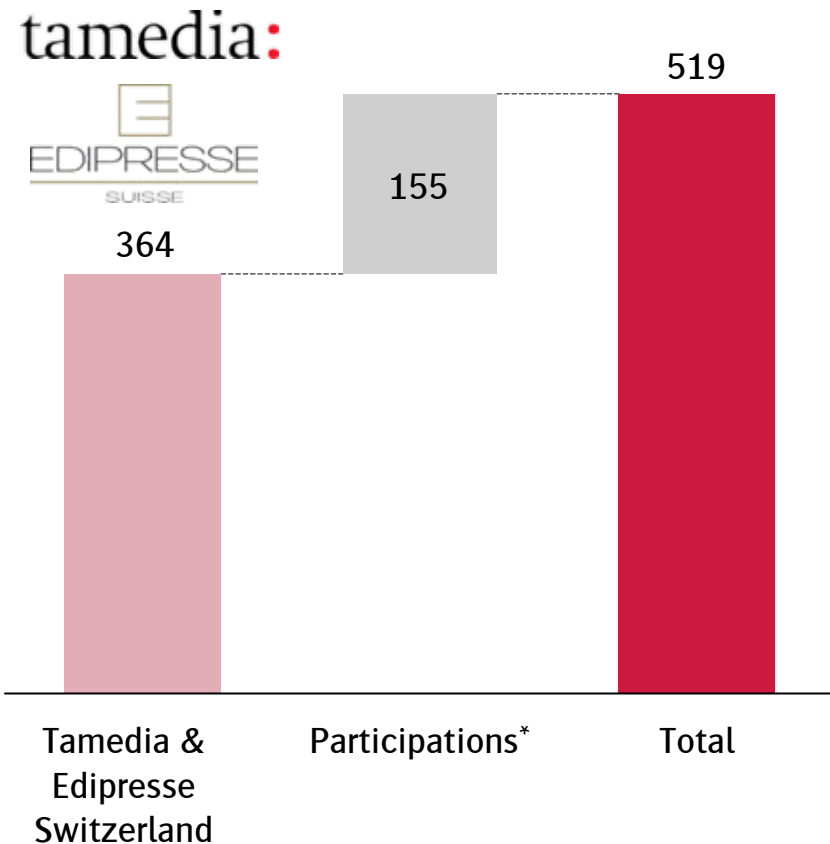
Core business services

- Expansion of innovative products such as search.ch



Digital media and participations with more than 500 employees

Employees digital media and participations in 2010 in full-time positions



Expansion of existing digital media

- Expansion of the job platforms in Jobup AG; strong turnover growth and achievement of market leadership in the user-market
- Further expansion of the editing of the news platforms 20 Minuten and Newsnetz

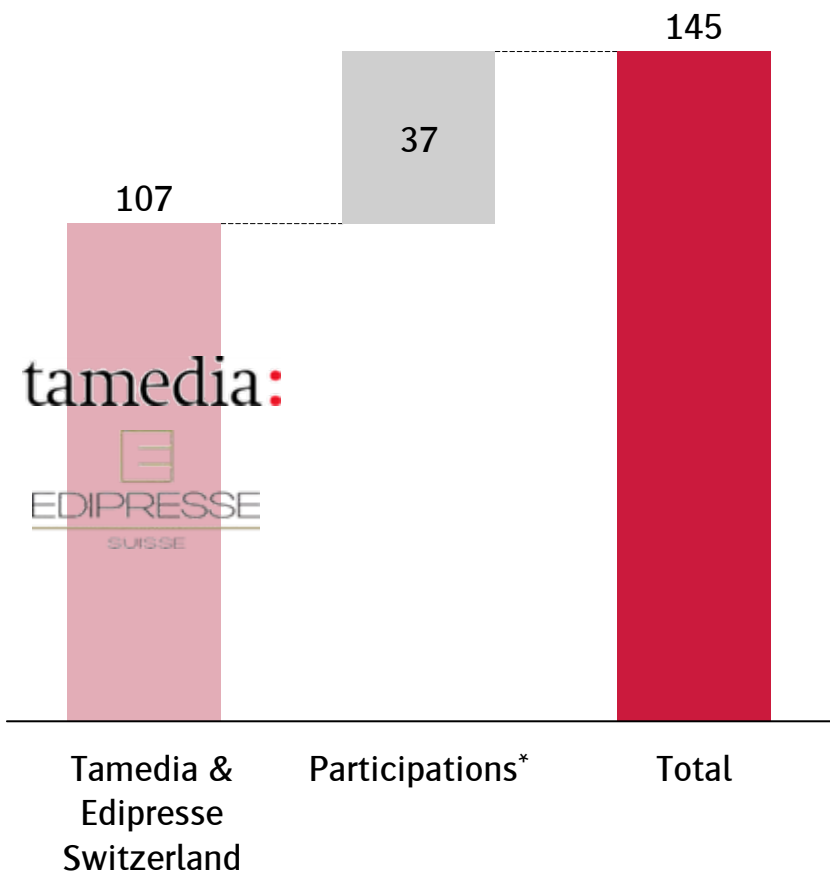
Extension of the online portfolio

- Index platform search.ch for the first time with Tamedia for a whole year
- Increase to 45 per cent of the successful shopping platform FashionFriends
- Partnership with the leading building tender platform Olmero and participation of 26 per cent
- Complete take-over of car4you.ch in the new classified online organization

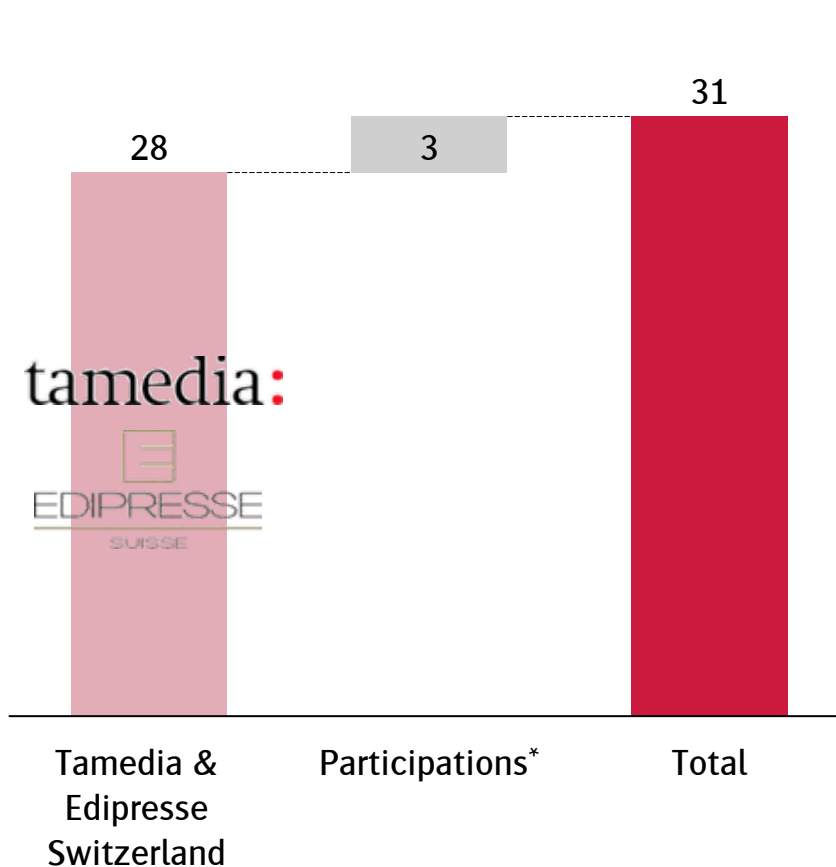
Source: Company data; * Participations disclosed at 100% independently of the effective participation percentage, car4you.ch shown under participations in 2010, from 2011 under Tamedia

High profitability: 31 CHF mill. EBITDA and 145 CHF mill. turnover

Turnover Digital media and participations 2010 in CHF millions



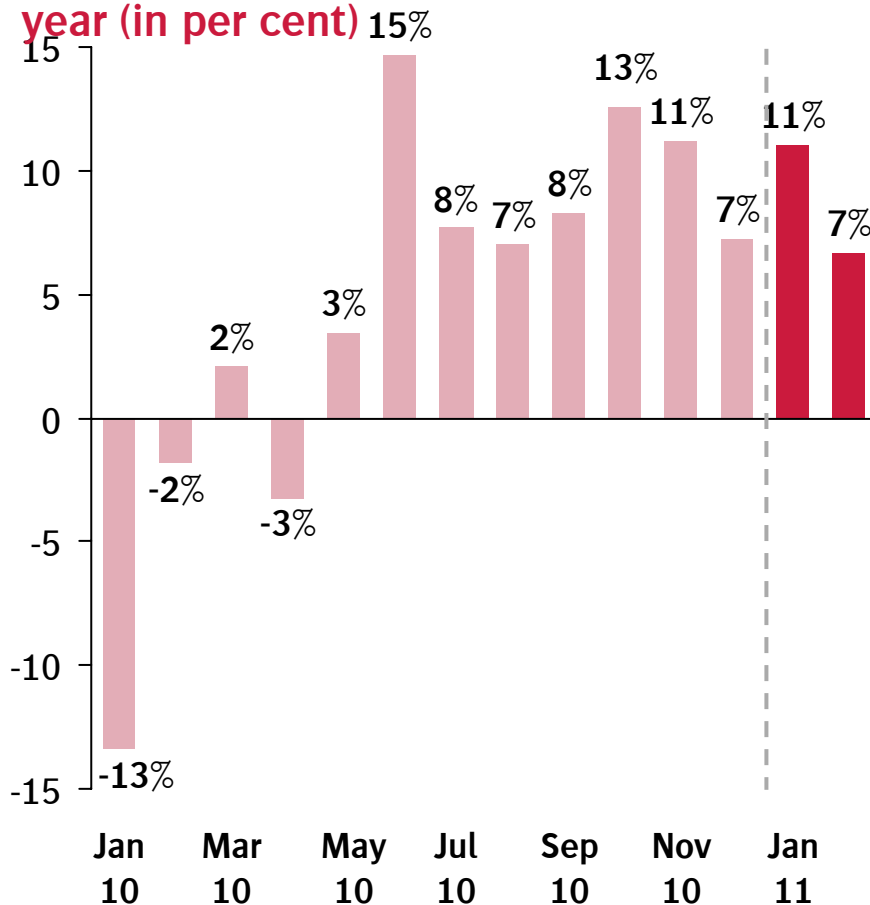
EBITDA Digital media and participations 2010 in CHF millions



Source: Company data; * Participations disclosed at 100% independently of the effective participation percentage, car4you.ch shown under participations in 2010, from 2011 under Tamedia

Economic development and growth in advertising investments

Change in net advertising income Print in comparison with same month in previous year (in per cent)



Economic recovery continues

- The economic prospects for the current year are cautiously optimistic

Declining unemployment

- The annual average unemployment rate may decrease moderately to 3.4 per cent

Growing advertising investments

- Tamedia anticipates growth of the advertising investments and increasing turnover with job advertisements

Tamedia emphasis

- Merger Edipresse Switzerland
- Evaluating a sale of the Radio and TV activities and the specialist media
- Merger of the Service areas
- Expansion of digital media products
- Regional newspapers: continued attention

Sandro Macciaccchini

Head of Finances

Preliminary remarks to the result for the year 2010 (1/2)

Changes in the scope of the consolidation

- 50 per cent participation in the companies Jobup SA (jobup.ch) and Comfriends SA (swissfriends.ch) together with Presse Publications SR SA as of 1 January 2010 (quota consolidation).
- Purchase of 100 per cent of Zürichsee Presse AG (Zürichsee-Zeitung) and Zürich Unterland Medien AG (Zürcher Unterländer) as of 1 May 2010 (full consolidation).
- Sale of Der Murtenbieter and Anzeiger von Kerzers as of 1 April 2010, and Huber & Co. AG (Thurgauer Zeitung) as of 1 May 2010 (de-consolidation).
- Merger of Espace Media Radio AG and Conradio AG into Espace Media AG as of 1 January 2010 (simplification of the participation structure).

Changes in the associated participations

- Purchase of the first slice of Presse Publications SR SA in the amount of 49.9 per cent as of 1 January 2010.
- Participation with 23 per cent in Olmero AG (olmero.ch and renovero.ch) as of 23 February 2010, with 15 per cent in Car4you Schweiz AG (car4you.ch) as of 5 March 2010 and with 37.6 per cent in Zürcher Oberland Medien AG (Zürcher Oberländer) as of 1 May 2010.

Preliminary remarks to the result for the year 2010 (2/2)

Discontinued operations

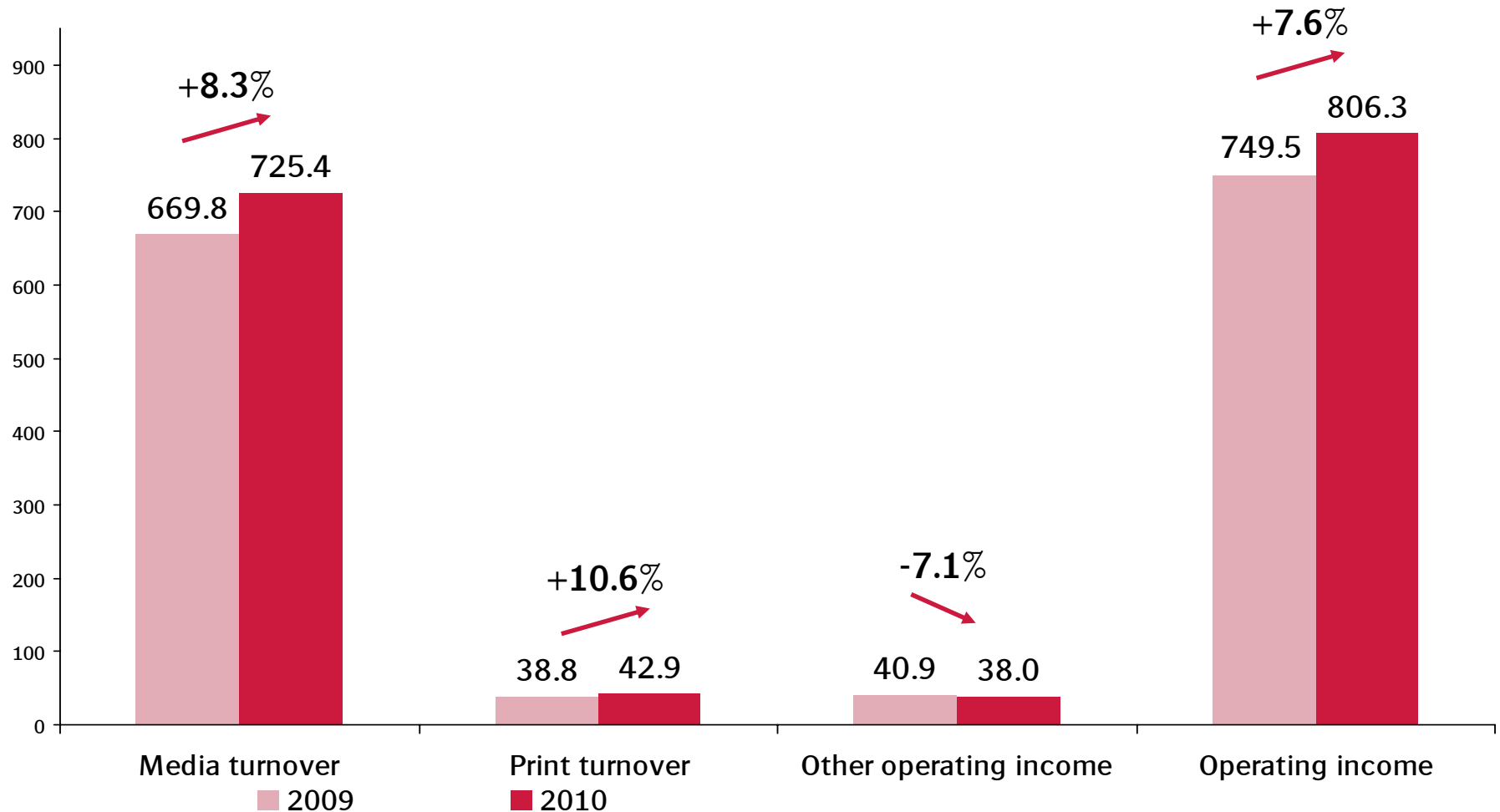
- Der Murtenbieter, der Anzeiger von Kerzers and the Thurgauer Zeitung are disclosed as discontinued operations.
- The discontinued operations are also disclosed as such in the prior period. This restatement affects the income statement, the cash flow statement and the segment disclosures. The prior year figures for these components of the report are therefore restated.
- In the previous year, the discontinued operations also include the early delivery activities, the freesheet News and the motorcycle magazines Moto Sport Schweiz and Moto Sport Suisse.

Pro memoria: significant changes in the consolidation scope 2009

- Takeover of 75 per cent of Räber Information Management GmbH (search.ch) as of 1 November 2009 (full consolidation).
- Formation of 20 Minutes Romandie as of 25 September 2009 as a joint venture together with Presse Publications SR SA. Tamedia holds 50 per cent of the shares (quota consolidation).

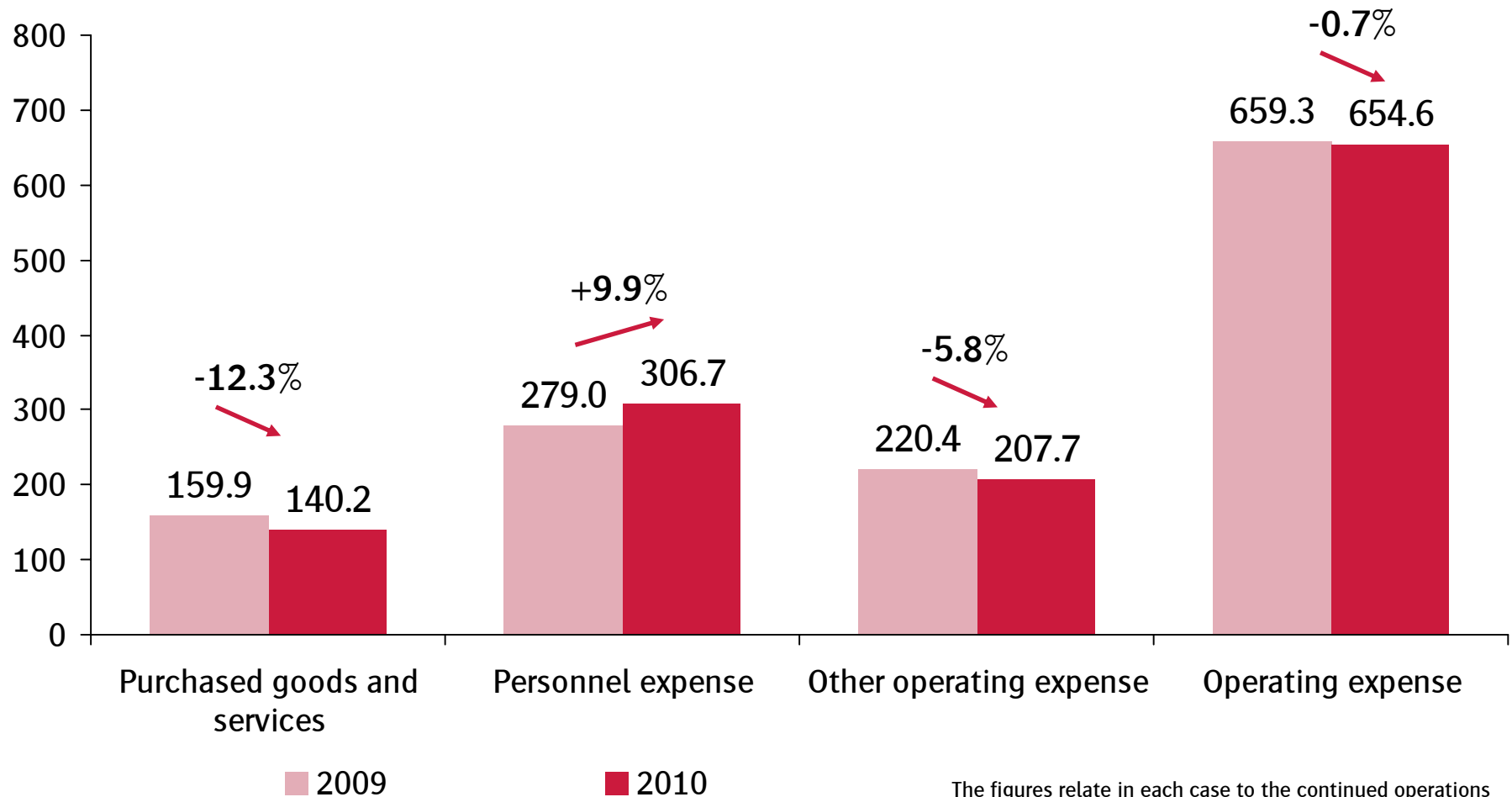
Media turnover increases by slightly more than 8 per cent

in CHF millions



Operating expense sinks slightly; Restructuring costs CHF 15 mill.

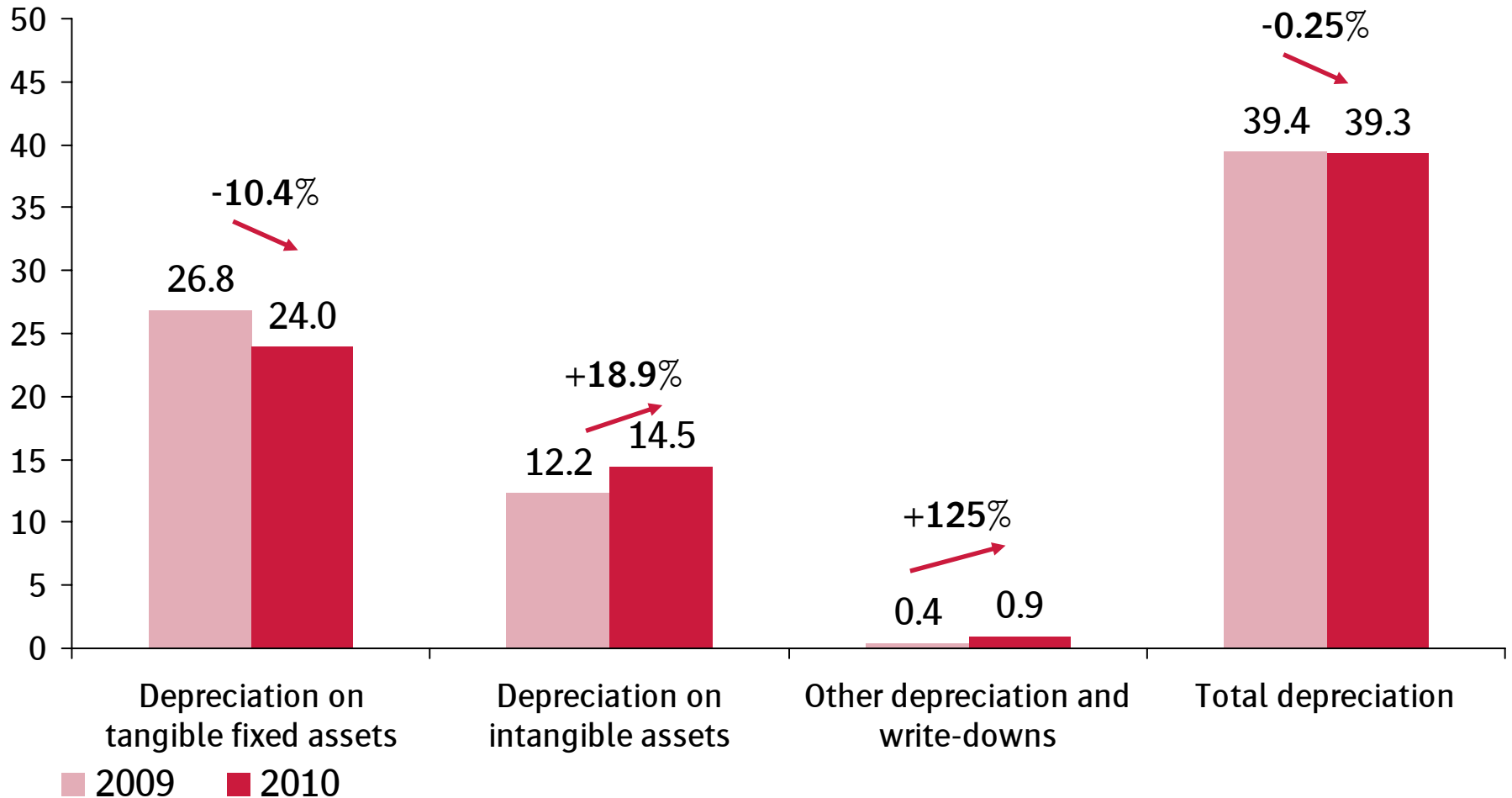
in CHF millions



The figures relate in each case to the continued operations

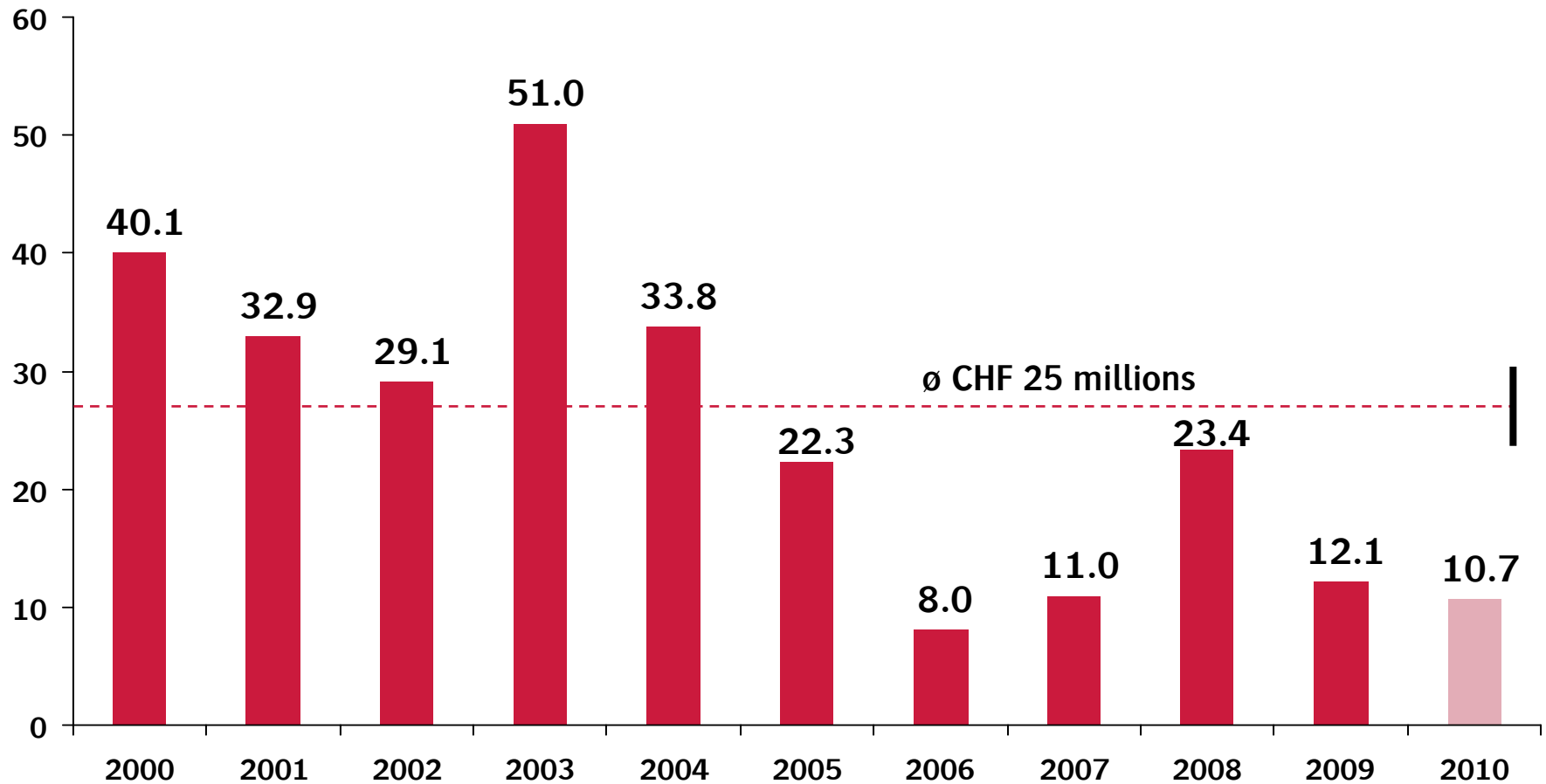
Depreciation unchanged; Impairment of Goodwill of CHF 4 mill.

in CHF millions



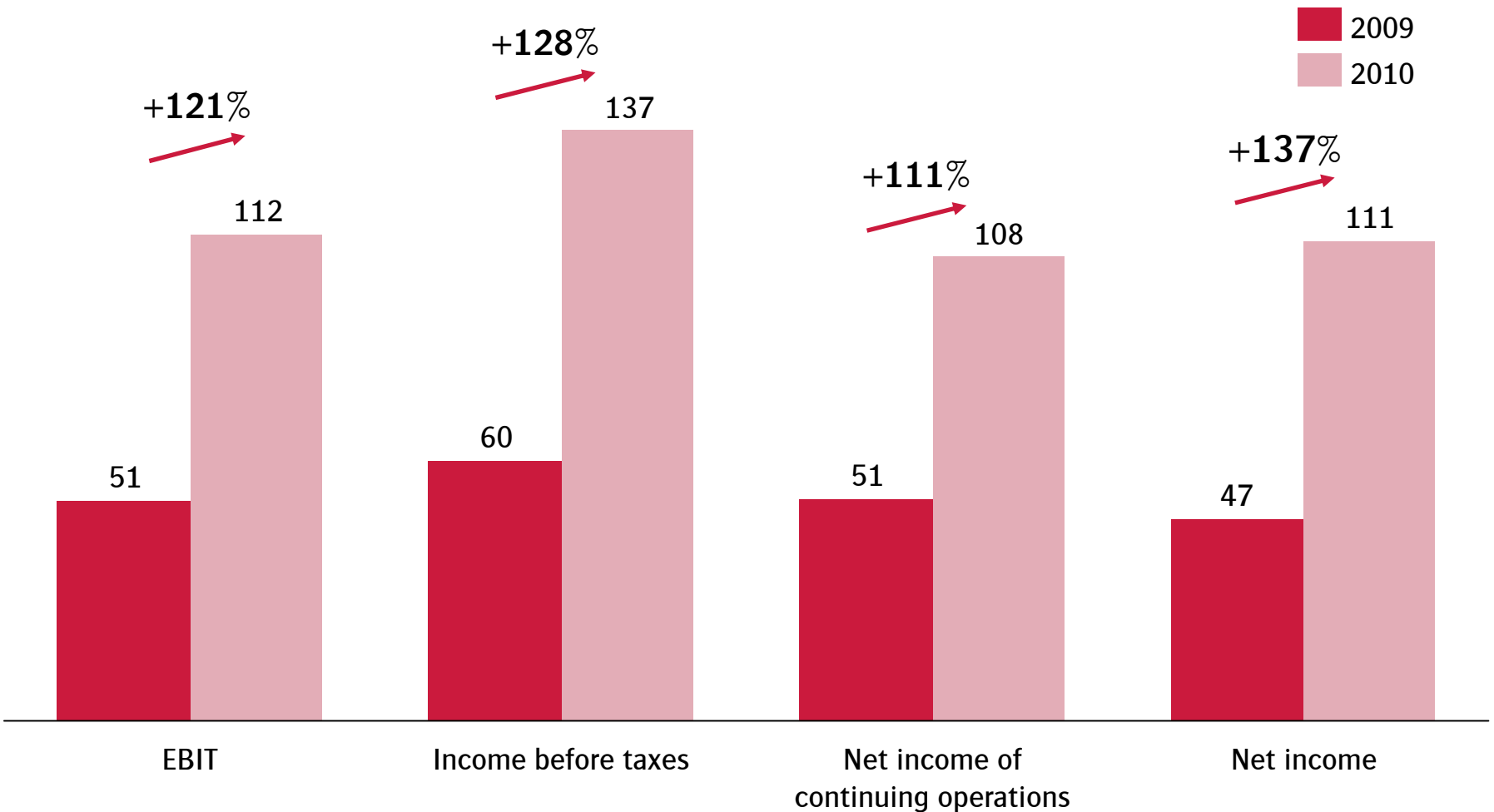
Capex of CHF 11 million again below the multi-year average

Investments in operational equipment (Capex) in CHF mill.



Income before taxes comprises Edipresse Suisse' contribution

in CHF mill.



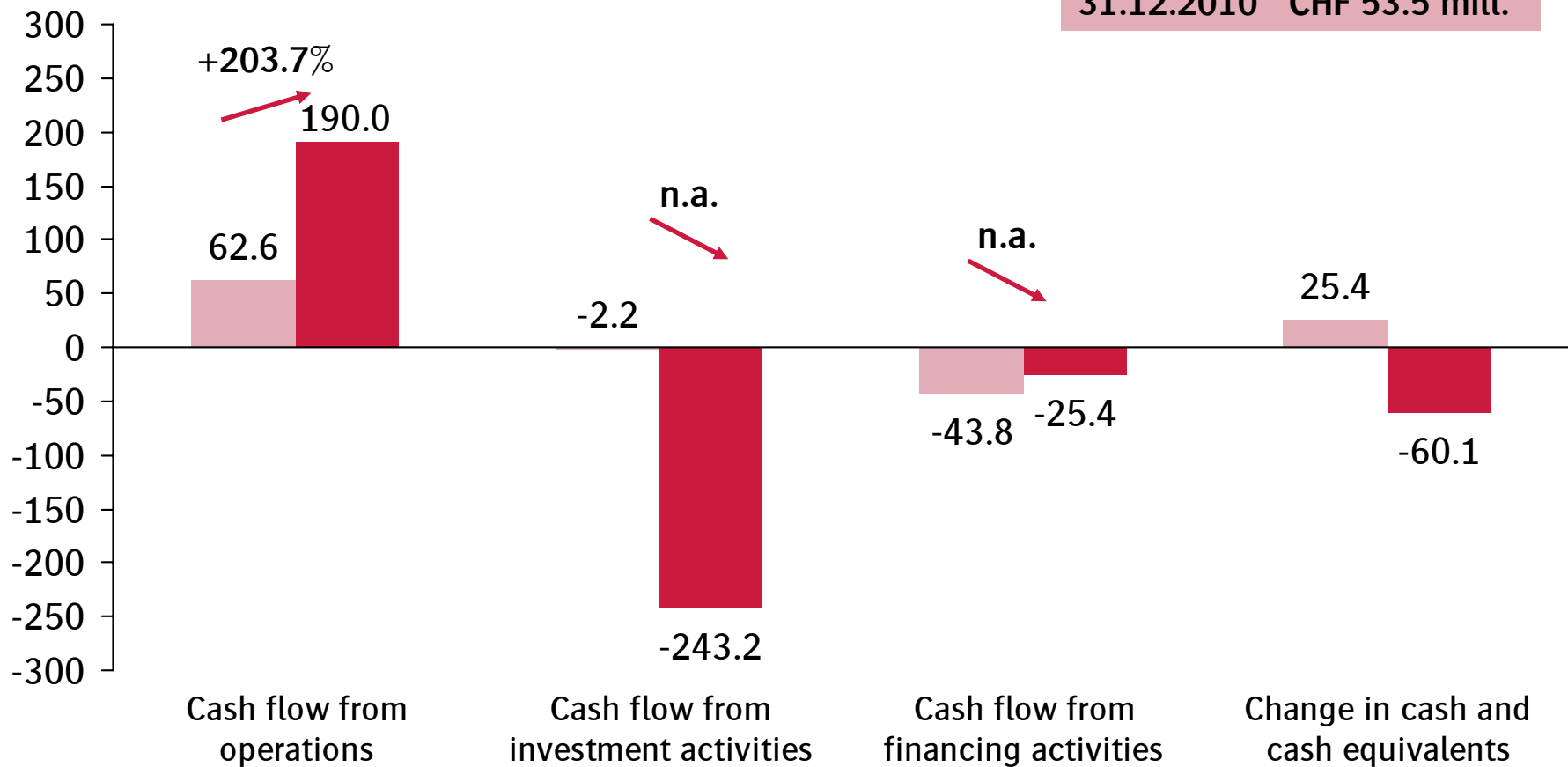
The figures relate in each case to the continued operations

Cash flow from operations tripled – Decrease in cash and cash equivalents as a result of the participation in Edipresse Switzerland

in CHF millions

Cash and cash equivalents

31.12.2010 CHF 53.5 mill.

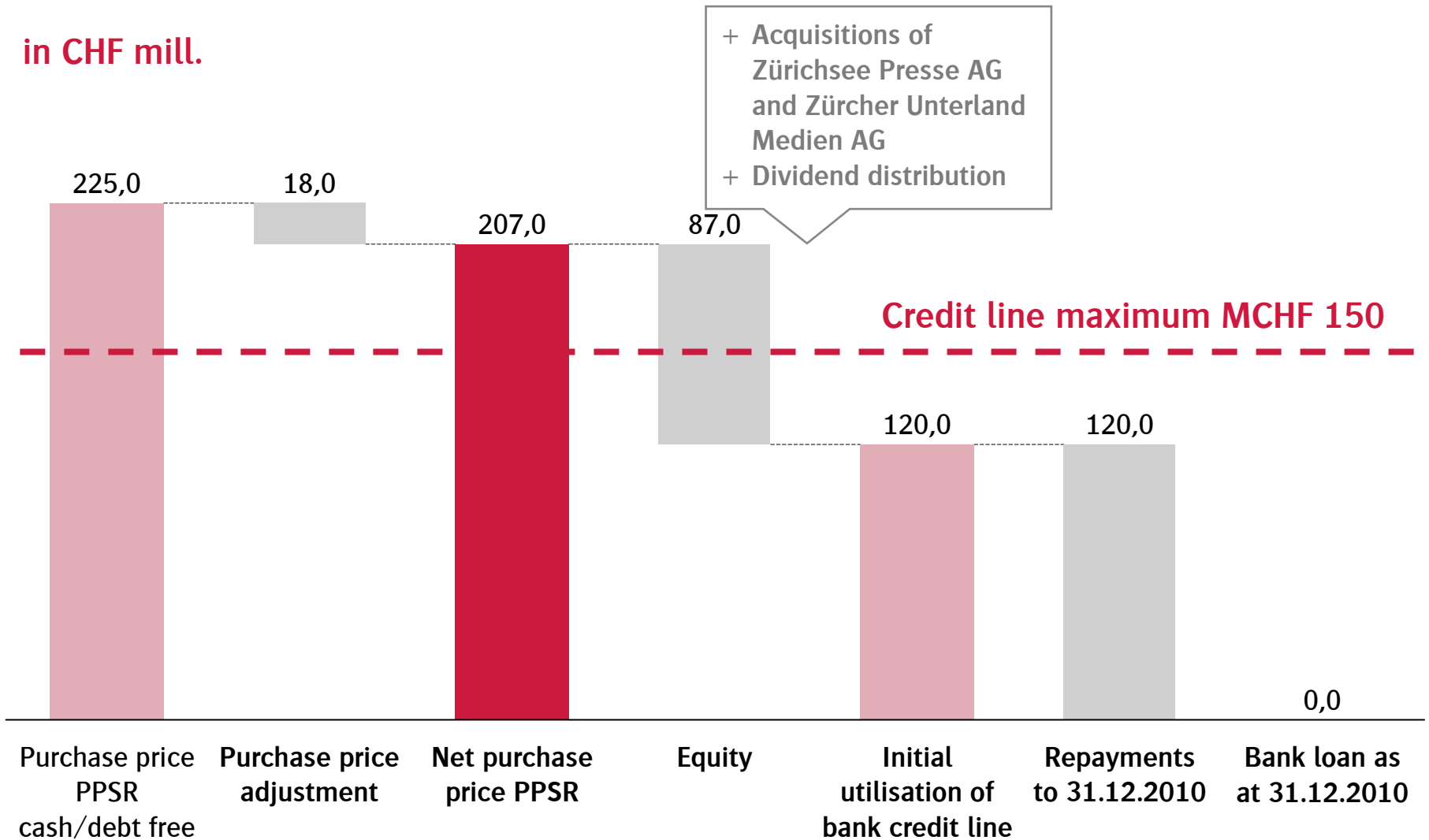


■ 2009

■ 2010 The figures relate in each case to the continued operations

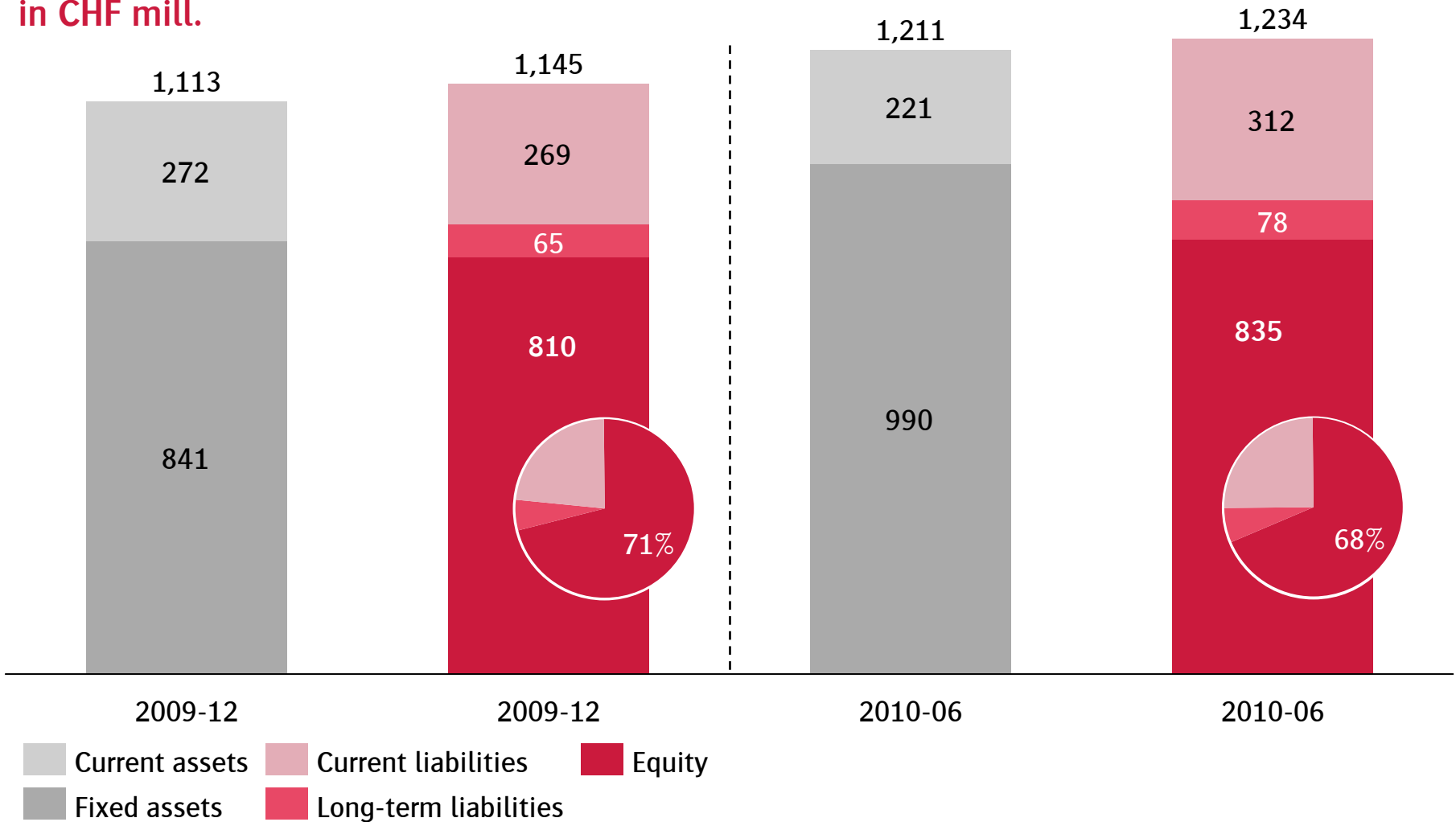
Bank credit of CHF 150 mill. fully repaid by the end of 2010

in CHF mill.



Equity ratio slightly decreased at 68.4 per cent

in CHF mill.



PPSR: financing of open purchase price mainly out of own funds

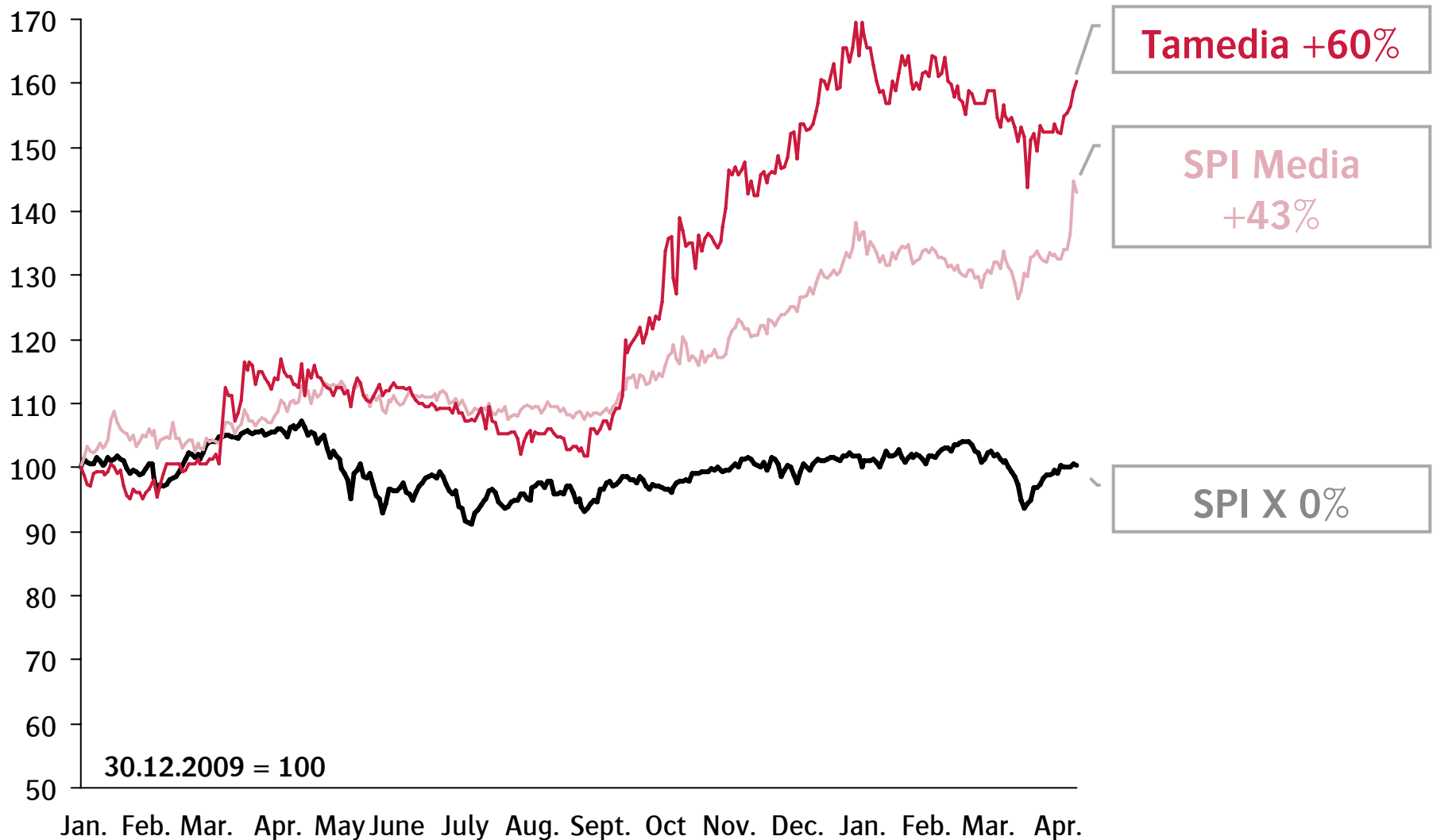
Purchase price between CHF 269.8 million and 330.2 million

- The purchase price for the remaining 49.9 per cent of the share capital of PPSR lies between an estimated CHF 269.8 million and 330.2 million in cash plus 250,000 Tamedia shares.
- Tamedia will pay a total of CHF 200.4 million of the purchase price between April 2011 and 1 March 2012.
- That part of the purchase price which will fall due in the first quarter of 2013 will, depending on the results of Presse Publications SR S.A. in the year 2012, lie between an estimated CHF 69.4 million and 129.8 million in cash plus 250,000 Tamedia shares.
- Tamedia estimates that the last part of the purchase price to be paid will amount to CHF 99.1 million in cash. The value of the shares will be determined on the basis of the market value as at 31 December 2010 and be taken into account with CHF 31.0 million respectively with CHF 124.10 per share in the purchase price.

Financing through own funds and operational credit limits

- The financing of the open purchase price liability should be made primarily out of own funds and, to the extent necessary, through existing operational credit limits.
- The purchase price liability for the remaining 49.9 per cent acquired early is shown as a current, respectively non-current, financial liability and the formerly held shares are included at their fair value at the time of the transfer of control. The amount of this liability is in consequence to be reviewed regularly.

Share price: Tamedia outperformed the market in 2010



Thank you for your interest!

