



Press Release

Fiscal year 2012: Highlight Group outperforms planning targets

Pratteln, March 20, 2013

Despite a challenging market environment at times, the Highlight Group concluded fiscal year 2012 with results ahead of its forecasts thanks to its strong positioning in the film and sports rights marketing business.

- Consolidated sales rose to CHF 432.8 million – up CHF 49.3 million on the previous year's figure (CHF 383.5 million). The target of CHF 370 million to CHF 390 million was thus comfortably beaten. This success is due mainly to a strong slate of movies in theatrical distribution and outstanding sales figures in home entertainment and TV service production business.
- With a consolidated net profit for Highlight's shareholders of CHF 25.53 million and earnings per share of CHF 0.55 or EUR 0.46, earnings were also above the target range of EUR 0.42 to EUR 0.44.
- As a result of this profit, consolidated equity (including non-controlling interests) rose by CHF 20.0 million to CHF 116.0 million (December 31, 2011: CHF 96.0 million). Relative to total assets, this equity corresponds to an equity ratio of 27.6% – an improvement of more than eight percentage points as against December 31, 2011 (19.2%).
- Cash flow from operating activities climbed by CHF 41.6 million to CHF 156.3 million, financial liabilities declined by CHF 68.2 million to CHF 136.0 million. Net debt now amounts to CHF 63.5 million.

External sales in the Film segment increased by 21.0% to CHF 353.4 million (previous year's period: CHF 292.0 million) as a result of marketing success in theatrical distribution and home entertainment. At the same time, segment expenses climbed by 19.7% to CHF 424.6 million (previous year's period: CHF 354.8 million), particularly due to the greater cost of materials and licenses and higher amortization, depreciation and impairment. As a result of these developments, segment earnings declined from CHF 16.8 million to CHF 11.7 million.

The Sports- and Event-Marketing segment generated external sales of CHF 69.4 million (previous year's period: CHF 90.3 million). This decline in sales is due to changes in the business relationship with UEFA, including handing over match organization to UEFA, and the fact that music activities have been hived off to the Other Business Activities segment. Segment earnings improved to CHF 32.1 million (previous year's period: CHF 29.6 million).

The Other Business Activities segment, which was undergoing realignment in fiscal year 2012, generated external sales of CHF 10.0 million (previous year's period: CHF 1.2 million) and segment earnings of CHF -2.7 million (previous year's period: CHF -1.5 million).

Based on the established business areas, and assuming that exchange rates remain largely unchanged, the Highlight Group anticipates consolidated sales of approximately CHF 350 million to CHF 400 million in the current fiscal year and is currently forecasting a consolidated net profit.

The Board of Directors of Highlight Communications AG will propose to the Annual General Meeting that a dividend of CHF 0.17 per dividend-bearing share be distributed for fiscal year 2012. The Annual General Meeting for fiscal year 2012 will be held on May 31, 2013 in the Courtyard by Marriott Basel in Pratteln.

The German annual report for 2012 will be available to download at www.highlight-communications.ch starting from this evening, and the English version from March 27, 2013.

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