



Press Release

Highlight Group publishes its 2013 annual financial statements

- **Consolidated sales of CHF 386.2 million in the top third of the sales forecast**
- **Consolidated net profit for the period at CHF 10.3 million considerably lower than the previous year; earnings per share of CHF 0.21**
- **Constantin Film production “Fack ju Göhte” the best-visited film in the German movie theaters in 2013**
- **Business activities in Sports-and Event-Marketing in line with expectations**
- **For 2014, consolidated net profit attributable to shareholders of CHF 9 million to CHF 11 million expected**

Pratteln, March 26, 2014 – The economic development of the Highlight Group in fiscal year 2013 was characterized by successes and some disappointments.

The Highlight Group today publishes its annual financial statements for the past fiscal year.

Group development fiscal year 2013

- At CHF 386.2 million, consolidated sales were in the top third of the forecast of CHF 350 million to 400 million. In comparison to the previous year, this represents a decline of CHF 46.6 million or 10.8%.
- Partly due to the change in the business relationship with UEFA, consolidated net profit at CHF 10.3 million was considerably lower than in the previous year (CHF 26.3 million) as expected. This corresponds to earnings per share of CHF 0.21 for fiscal year 2013 (previous year's period: CHF 0.56).
- At CHF 107.2 million, consolidated equity (including non-controlling interests) was slightly down on the previous year (December 31, 2012: CHF 111.3 million), due particularly to the lower earnings and the purchase of treasury shares.
- Due to the higher production volume, net debt increased to CHF 107.7 million (December 31, 2012: CHF 63.5 million).

Development of the operating segments in 2013

- In the **Film segment**, “Fack ju Göhte”, the comedy launched at the beginning of November, was received enthusiastically by 5.6 million moviegoers in Germany by the end of 2013, thus making it the film with the highest audience figures of the year. The Constantin Film production has now been seen by more than 7 million moviegoers, making it the third most successful German film since the German reunification in terms of box office takings. Despite this, in 2013 theatrical distribution was at the lower end of planning, due largely to the fact that some international licensed films did not live up to expectations. Furthermore, sales in the home entertainment and license trading business areas fell short of the previous year's level.



As a result of these developments, external sales in the Film segment declined by 5.6% to CHF 333.6 million (previous year's period: CHF 353.4 million). As a result of a significant increase in production volume, film assets rose by CHF 48.4 million. However, at CHF 8.3 million, segment earnings were down by 28.4% on the previous year's figure (CHF 11.6 million) as a result of the associated rise in segment expenses.

- In the **Sports- and Event-Marketing segment**, the marketing company TEAM had on its agenda processing the current season and marketing the UEFA Champions League and the UEFA Europa League for the period 2015/2016 to 2017/2018.
Due to the change in the business relationship with UEFA, sales of CHF 48.9 million were generated, down by CHF 20.5 million as against the previous year (CHF 69.4 million). Segment expenses were reduced by CHF 8.3 million to CHF 29.4 million by means of cost-cutting measures. This resulted in segment earnings of CHF 19.9 million, which was below the prior-year (CHF 32.5 million), in line with planning.
- External sales of the **Other Business Activities segment**, which covers marketing for the Eurovision Song Contest and the Vienna Philharmonic as well as activities in the field of online/social gaming, declined as expected from CHF 10.0 million to CHF 3.7 million. The successful event and entertainment business gained both in terms of sales and earnings. Due to impairments taken on intangible assets at Pokermania GmbH, the segment result was lower than expected at CHF -4.8 million (2012: CHF -2.6 million).

Targets for fiscal year 2014

For the current fiscal year, the Highlight Group anticipates consolidated sales in the range of CHF 380 and 410 million and consolidated net profit attributable to shareholders of between CHF 9 million and CHF 11 million. In the current year, with "Fantastic Four", "Resident Evil VI" and the sequels to "Fack ju Göhte" and "Ostwind" we are planning to commence the production of promising films from which we anticipate a significant earnings upturn in fiscal year 2015.

As in the previous years, the Board of Directors of Highlight Communications AG will propose the distribution of CHF 0.17 per entitled share for fiscal year 2013 at the Annual General Meeting.

The ordinary Annual General Meeting for fiscal year 2013 will take place at the Hotel Courtyard by Marriott in Pratteln on May 30, 2014.

The German annual report for 2013 will be available to download at www.highlight-communications.ch starting from this evening, and the English version from March 27, 2014.

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