



## **PRESS RELEASE**

### **Highlight Group in line with planning after six months – Sharp appreciation of the Swiss franc against the euro impacts results of operations**

- **Consolidated sales of CHF 126.7 million below the previous year's figure as expected**
- **EBIT margin improves from 4.5% to 5.7%**
- **Consolidated net profit for the period at CHF 0.6 million due to currency effects**
- **Forecast re-confirmed for fiscal year 2015**

**Pratteln, August 11, 2015** – In the first half of 2015, the Highlight Group generated sales and earnings that were in line with expectations for the current year. Compared to the first six months of the previous year, however, the company's results of operations were significantly impacted by the sharp appreciation of the Swiss franc against the euro as a result of the cap of 1.20 EUR/CHF having been lifted by the Swiss National Bank. In the Highlight Group's financial statements for the first half of the year, this change in the currency relation was reflected in a CHF 5.0 million rise in financial expenses, among other effects.

#### **Group development in the first half of 2015**

- At CHF 126.7 million, consolidated sales were down on the previous year's level (CHF 216.3 million), mainly due to lower sales in the Film segment. This decline reflects the fact that, in contrast to the previous year, no international Constantin Film production was released in the first half of 2015. In addition, the Film segment had benefited in the previous year from extremely high sales figures in home entertainment exploitation.
- Consolidated operating expenses declined by CHF 87.0 million from CHF 238.8 million in the first six months of the previous year to CHF 151.8 million in the reporting period. This decrease was primarily due to amortization, depreciation and impairment, which fell by CHF 55.6 million to CHF 21.2 million.
- As the decline in consolidated operating expenses was weaker overall than the reduction in consolidated sales, EBIT at CHF 7.2 million remained below the previous year's level (CHF 9.7 million). The EBIT margin (EBIT as a percentage of consolidated sales) for the first half of the year improved despite this decline from 4.5% in the previous year to currently 5.7%.
- Consolidated net profit for the period, which was affected by the significant rise in financial expenses among other factors, amounted to CHF 0.6 million (previous year's period: CHF 5.9 million). This pronounced decline was mainly attributable to the change in the EUR/CHF currency relation as described above.
- CHF 0.8 million of this profit is attributable to Highlight shareholders (previous year's period: CHF 5.6 million), corresponding to earnings per share of CHF 0.02 (previous year's period: CHF 0.13).
- At CHF 81.9 million, consolidated equity (including non-controlling interests) was CHF 25.0 million lower than at the end of 2014 (CHF 106.9 million). This decline is firstly due to exchange rate differences of CHF 14.4 million resulting from the translation of the equity of those subsidiaries whose functional currency is not the Swiss franc. Secondly, dividends totaling CHF 10.3 million were distributed in the reporting period.



## **Targets for fiscal year 2015**

Based on the positive operating prospects in the second half of the year, particularly with regard to the theatrical releases of “Fack Ju Göhte 2” and “Er ist wieder da”, the Highlight Group is continuing to forecast consolidated sales of between CHF 310 million and CHF 330 million and a consolidated net profit for the period attributable to shareholders of between CHF 14 million and CHF 16 million for the Highlight Group in 2015 as a whole.

The German interim report as of June 30, 2015 will be available for download at [www.highlight-communications.ch](http://www.highlight-communications.ch) starting from this evening, and the English version from August 18, 2015 at the latest.



## Highlight Group at a glance

Group figures according to IFRS

in CHF million	6M 2015	6M 2014	Change in %
Sales	126.7	216.3	-41.4
EBIT	7.2	9.7	-25.8
<b>Net profit for the period</b>	<b>0.6</b>	<b>5.9</b>	<b>-89.8</b>
Net profit attributable to shareholders	0.8	5.6	-85.7
Earnings per share (CHF)	0.02	0.13	-84.6
<b>Segment sales</b>			
Film	102.7	190.0	-45.9
Sports- and Event-Marketing	22.1	24.8	-10.9
Other Business Activities	1.8	1.5	20.0
<b>Segment result</b>			
Film	0.9	3.8	-76.3
Sports- and Event-Marketing	9.7	10.2	-4.9
Other Business Activities	-0.6	-1.4	57.1
in CHF million	June 30, 2015	December 31, 2014	Change in %
<b>Balance sheet total</b>	<b>373.7</b>	<b>361.6</b>	<b>3.3</b>
Equity	81.9	106.9	-23.4
Equity ratio (%)	21.9	29.6	-7.7 points
Current financial liabilities	60.5	81.3	-25.6
Cash and cash equivalents	102.1	44.8	127.9

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