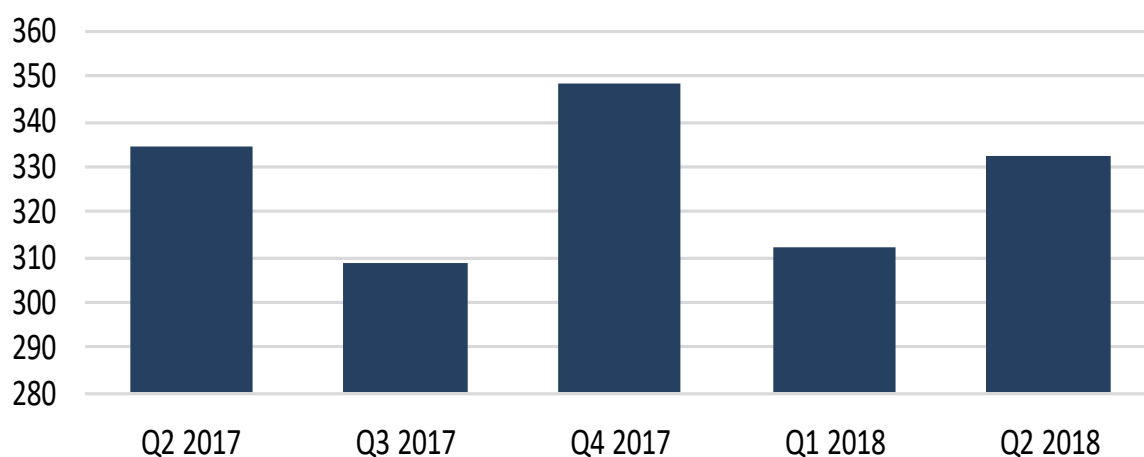


# NHST MEDIA GROUP AS

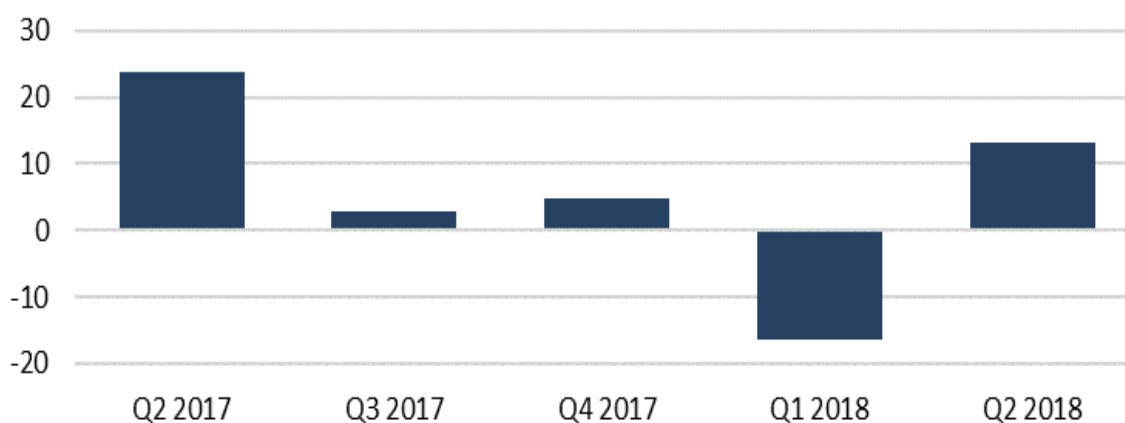
## Quarterly Report

### 2nd quarter 2018

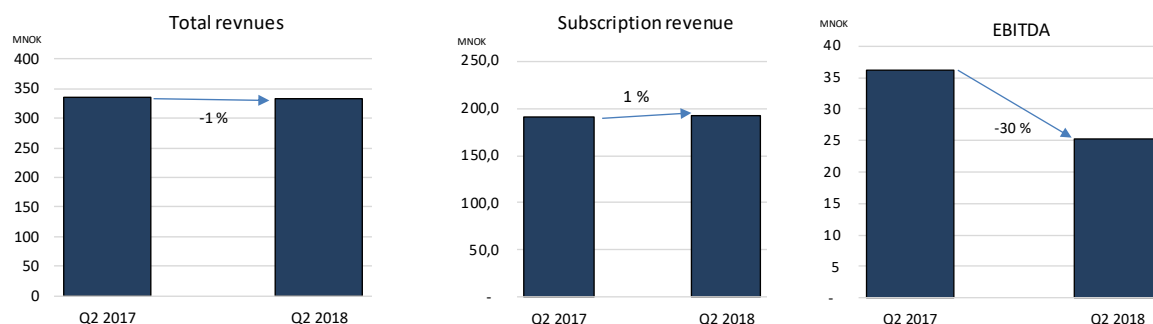
Revenue (mnok)



EBIT (mnok)



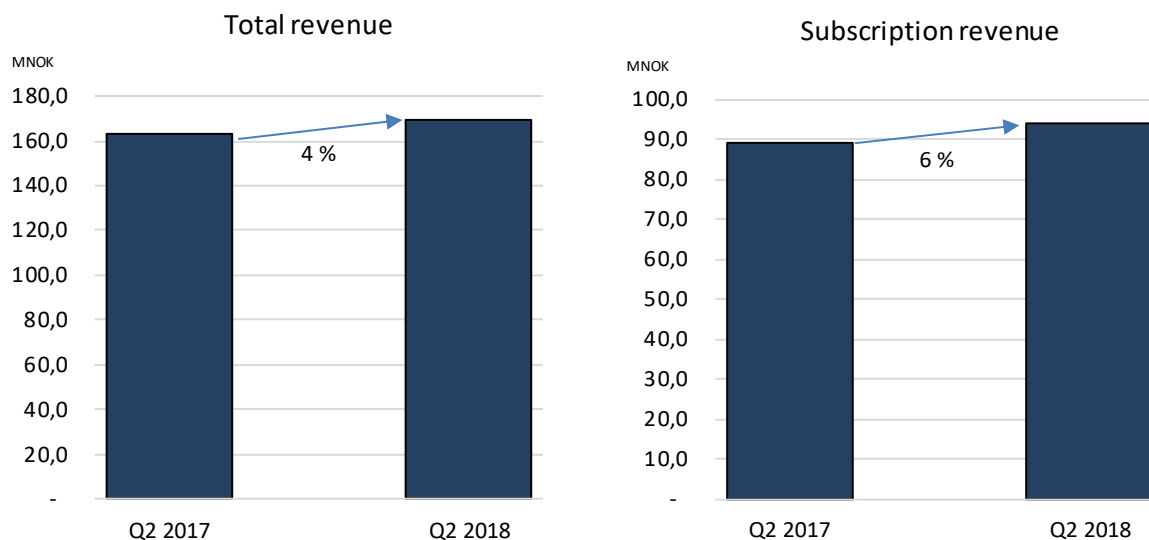
# The NHST Group



MNOK	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q2 2017 Akkumulert	Q2 2018 Akkumulert
Subscription income	190,2	196,5	197,8	196,6	192,1	383,8	388,7
Advertising revenue	83,6	58,1	83,4	59,9	77,7	149,5	137,6
Sales of goods and services	60,7	53,8	66,9	55,5	62,7	123,1	118,2
<b>Totale driftsinntekter</b>	<b>334,4</b>	<b>308,4</b>	<b>348,1</b>	<b>312,0</b>	<b>332,5</b>	<b>656,4</b>	<b>644,5</b>
Operating expenses	298,3	288,7	328,0	315,8	307,2	607,4	623,0
EBITDA before onetime effects	36,1	20,2	25,2	4,0	30,7	49,0	34,7
EBITDA	36,1	19,7	20,1	-3,8	25,3	49,0	21,5
Depreciation & Amortization	12,4	16,8	15,3	12,7	12,1	25,0	24,8
Operating result	23,7	2,9	4,8	-16,5	13,2	23,9	-3,3

- Revenues in the second quarter were stable. This is a result of the fact that growth in subscription and service revenues offset the decline in advertising revenue.
- Adjusted for the operations which were wound up in 2017, Nautisk Forlag had revenue growth in the second quarter. Revenues in Mynewsdesk before currency effects were stable in the second quarter.
- Subscription growth continued for the publications at a rate of 4 %, while advertising revenue declined 7 %.
- EBITDA before one-time expenses was NOK 31m, a decline of NOK 5m. All the business areas declined, but the largest decline was in Norske Publikasjoner and Mynewsdesk. Both were back NOK 3m.
- After one-time expenses, EBITDA was NOK 25m in the second quarter and the operating profit in the second quarter was NOK 13m.

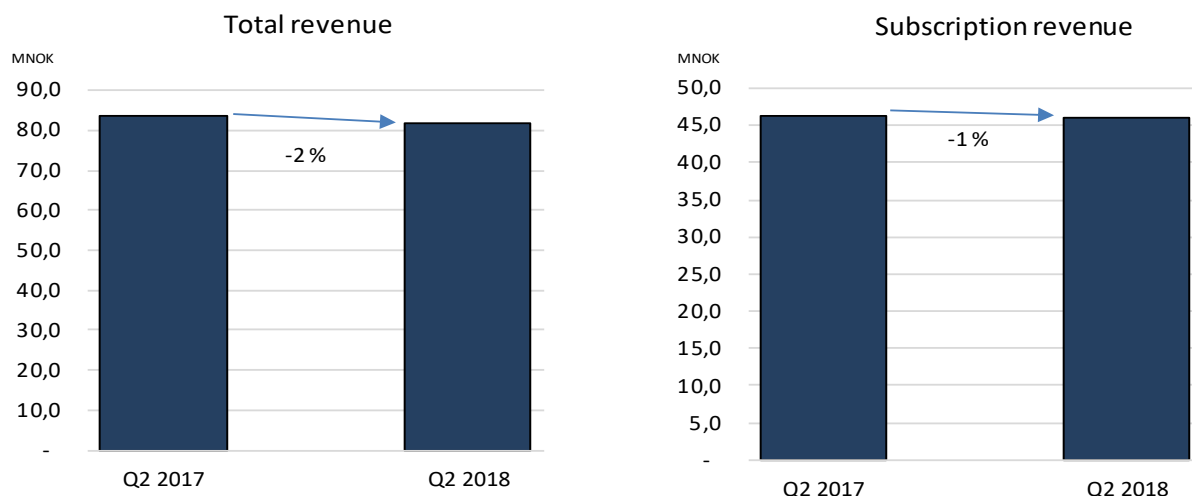
# Norwegian Publications



NORWEGIAN PUBLICATIONS	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q2 2017 Akkumulert	Q2 2018 Akkumulert
MNOK							
Subscription income	89,0	96,7	95,2	95,8	94,2	183,6	190,0
Advertising revenue	53,6	40,3	59,9	42,9	50,3	99,9	93,2
Sales of goods and services	20,7	22,5	28,0	17,4	24,9	42,0	42,3
<b>Totale revenue</b>	<b>163,3</b>	<b>159,5</b>	<b>183,1</b>	<b>156,1</b>	<b>169,3</b>	<b>325,5</b>	<b>325,4</b>
Operating expenses	138,2	147,7	166,7	151,0	146,8	287,5	297,9
<b>EBITDA</b>	<b>25,1</b>	<b>11,7</b>	<b>16,4</b>	<b>5,0</b>	<b>22,5</b>	<b>38,0</b>	<b>27,5</b>

- Revenues for the second quarter amounted to NOK 169m, up 4%.
- Reader market revenue continues to grow, including subscription revenue, which was up 9 % on the second quarter of the previous year.
- Advertising revenue was down 6 % in the second quarter, as against 8 % in the first quarter. The fall for paper was larger than the increase in digital advertising. Digital advertising was up 24 % on the same period last year. Digital's share of total advertising revenue was 35 %.
- Activity was good in the second quarter for both the conference segment and content marketing. This is reflected in growth in both services and advertising revenue.
- Expenses amounted to NOK 147m in the second quarter, up NOK 9m on the same period in the previous year. The increase in operating costs are related to the investment in content marketing, conferences and digitalisation compared to the same period last year.
- EBITDA for the quarter was NOK 23m, down NOK 2m on the same period in the previous year.

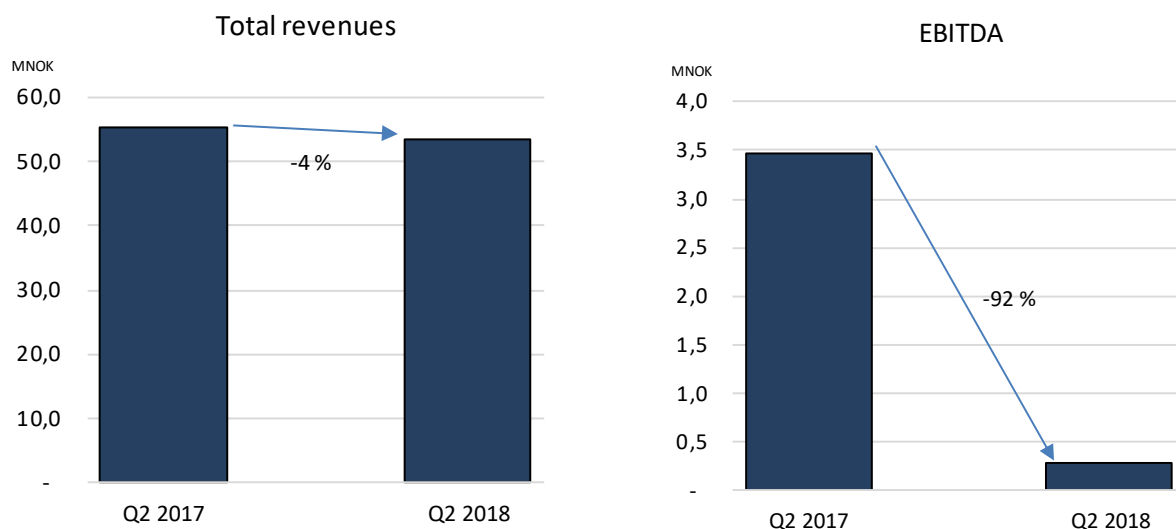
# Global Publications



Global Publications	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q2 2017	Q2 2018
MNOK						Akkumulert	Akkumulert
Subscription income	46,4	45,9	46,1	45,5	46,0	91,4	91,5
Advertising revenue	30,5	17,9	23,6	17,0	27,5	50,0	44,4
Sales of goods and services	6,7	6,6	7,3	6,1	8,2	12,0	14,3
<b>Totale revenue</b>	<b>83,6</b>	<b>70,3</b>	<b>76,9</b>	<b>68,6</b>	<b>81,6</b>	<b>153,3</b>	<b>150,2</b>
Operating expenses	71,9	65,4	73,1	72,2	71,8	144,2	144,1
<b>EBITDA</b>	<b>11,6</b>	<b>4,9</b>	<b>3,8</b>	<b>-3,7</b>	<b>9,8</b>	<b>9,1</b>	<b>6,1</b>

- Revenues for the second quarter amounted to NOK 82m, a fall of 2%.
- Advertising revenue was down 10 % in the second quarter. The main reason was a decline in paper advertising revenue. Digital advertising revenue accounted for 33% of total advertising revenue in the quarter.
- Reader market revenue in the second quarter was stable in relation to the same period last year. The number of paying readers was lower than at the same time last year, but the trend was stable compared with the number of paying readers in the first quarter.
- Revenue from conferences and services increased by NOK 1m in the second quarter following similar growth in the first quarter.
- The operating expenses were stable compared with the same period a year ago.
- EBITDA in the second quarter was NOK 9.8m, down NOK 2m on the second quarter of 2017, with the earnings trend tracking the revenue trend.
- Svein Thore Gran will step down as head of the Global Publications division on 1 August. Trond Sundnes has been appointed as new head of the business area.

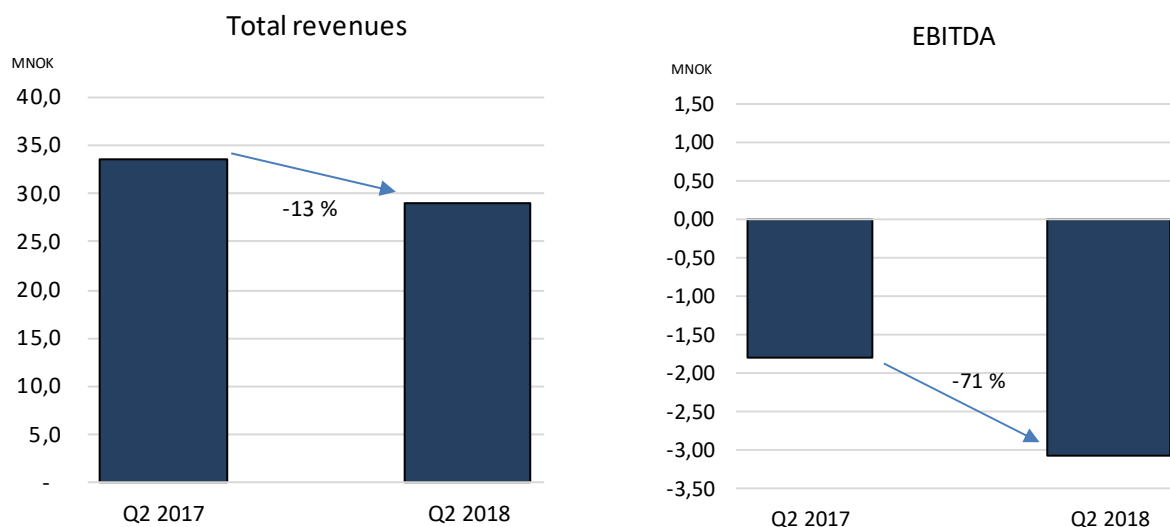
# Mynewsdesk



MyNewsDesk MNOK	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q2 2017 Akkumulert	Q2 2018 Akkumulert
Subscription income	53,0	52,8	56,0	54,2	50,5	105,6	104,7
Sum other mediaservices	2,5	2,4	8,5	5,5	3,0	4,7	6,3
<b>Totale revenue</b>	<b>55,5</b>	<b>55,3</b>	<b>64,4</b>	<b>59,7</b>	<b>53,5</b>	<b>110,3</b>	<b>111,1</b>
Operating expenses	52,1	45,1	56,4	54,2	53,3	102,3	105,3
<b>EBITDA</b>	<b>3,5</b>	<b>10,2</b>	<b>8,0</b>	<b>5,5</b>	<b>0,3</b>	<b>7,9</b>	<b>5,8</b>

- Revenues for the second quarter amounted to NOK 54m, a fall of 4%. The decline is primarily foreign currency related, but it means a lower growth rate than Mynewsdesk has delivered over the years.
- Retention of existing customers is higher than in the previous year, but there is a smaller increase in revenue from each individual customer. The growth in the number of new customers in the second quarter is at the same level as last year.
- The earnings trend for the core product, the digital communication and PR platform, was stable in the quarter.
- Expenses in the quarter were NOK 1m higher than the same period last year. This reflects investments in sales and services compared with the same period last year.
- EBITDA for the quarter was NOK 0, down NOK 3m on the same period in the previous year. The earnings trend is mainly influenced by the revenue trend.

# Nautisk Forlag



Nautical Charts MNOK	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q2 2017 Akkumulert	Q2 2018 Akkumulert
Subscription income	1,8	1,2	1,5	1,3	1,5	3,3	2,8
Sum other mediaservices	31,8	23,6	26,1	29,3	27,6	66,7	56,9
<b>Totale revenue</b>	<b>33,6</b>	<b>24,7</b>	<b>27,6</b>	<b>30,6</b>	<b>29,1</b>	<b>70,0</b>	<b>59,7</b>
Operating expenses	35,4	31,0	34,6	32,1	32,1	71,0	64,2
<b>EBITDA</b>	<b>-1,8</b>	<b>-6,2</b>	<b>-7,0</b>	<b>-1,4</b>	<b>-3,1</b>	<b>-1,0</b>	<b>-4,5</b>

- Revenues for the second quarter amounted to NOK 29m, a fall of 13 %. Adjusted for the activities that were wound up in 2017, there was revenue growth of 3 % in the second quarter.
- The revenue trend in the second quarter reflects stable customer development and growth in revenue from digital products. There is positive feedback from customers on NaviTab and NaviPlanner. This result in an increasing number of trial subscriptions on these products, but the sales and rollout still takes time. The gross margins are satisfactory, but slightly lower than in the first quarter.
- The development of Nautisk Forlag towards a digitally centred model is continuing. Investments are made in both the products and the sales organisation. Adjusted for closed operations in 2017, expenses increased by NOK 2m, a reflection of product investments and increased sales activities compared with the same quarter last year.
- EBITDA in the quarter was an operating loss of NOK 3m. This was NOK 1m lower than at the same period last year. The earnings trend is primarily a result of the development in expenses and margins.

## **PROSPECTS**

The Group's strategy for developing subscription-based services is being continued. Subscription-based services give the group a predictable revenue foundation for further development of related services and new revenue streams.

The underlying trend in the advertising market remains negative for traditional products. At the same time, the Group sees good opportunities in the development and sale of new advertising products and content marketing.

The Group's development capacity is being used in digitalisation, and to develop new products and services in established market areas. There is also a need for parallel development of the organisation with the emphasis on innovation, diversity and evolution. The transition from the paper-based product to digital services will require investment in both the organisation and technology in the future.

Oslo, 11/07/2018

Board of Directors of NHST Media Group AS

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## KEY FIGURES NHST MEDIA GROUP

(MNOK)	Q2 2018	Q2 2017	YTD Q2 2018	YTD Q2 2017
Revenues	332,5	334,4	644,5	656,4
Operating expenses	307,2	298,3	623,0	632,4
Ordinary depreciation	12,1	12,4	24,8	25,0
EBITDA	25,3	36,1	21,5	49,0
Operating profit / loss	13,2	23,7	-3,3	23,9
Net financial items	0,1	-0,3	0,2	-0,7
Profit/loss before tax	13,3	23,3	-3,0	23,2
Profit/loss after tax total (*)	9,9	15,9	-3,7	15,8
Minority interests	0,4	0,6	0,4	0,8
Profit/loss after tax majority(*)	9,5	15,3	-4,1	14,9
Number of shares ex own shares	1 243 173	1 243 173	1 243 173	1 243 173
Profit/loss per share in NOK	7,9	12,8	-2,9	12,7

	Revenue	Operating profit
Norske publikasjoner	169,3	21,0
Global Publications	81,6	9,5
Mynewsdesk	53,5	-3,5
Nautisk Forlag	29,1	-4,0
Other group companies	23,0	-7,6
Amortisation of goodwill	0,0	-2,2
Eliminering	-24,1	0,0
<b>SUM</b>	<b>332,5</b>	<b>13,2</b>

	30.06.2018	31.12.2017
Intangible assets	133,2	140,7
Other fixed assets	151,6	154,3
<b>Total fixed assets</b>	<b>284,8</b>	<b>295,0</b>
Inventory	7,9	12,6
Accounts receivable	102,3	145,2
Other short term receivables	51,7	21,5
Cash and cash equivalents	221,1	218,9
<b>Total short term assets</b>	<b>383,0</b>	<b>398,1</b>
<b>Total assets</b>	<b>667,9</b>	<b>693,1</b>
Shareholders' equity	102,7	107,6
Minority	16,4	16,0
<b>Total shareholders' equity</b>	<b>119,0</b>	<b>123,5</b>
Long term debt	19,2	18,5
Accounts payable	20,7	51,9
Prepayments	327,6	319,1
Other short term debt	181,3	180,1
<b>Total liabilities</b>	<b>548,8</b>	<b>569,6</b>
<b>Total shareholders' equity and liabilities</b>	<b>667,9</b>	<b>693,1</b>

(\*) A 23 % tax rate has been used in calculating the quarterly figures

\*\*) As of Q1 2018 the revenue recognition in Mynewsdesk is adjusted from month to days to give an even more precise measurement. Comparable figures are adjusted to reflect the change. The net effect in on revenues in the quarter is not material. However, there is a net negative effect on the equity of MNOK 10.6 in 31.12.2017