

## **PRESS RELEASE**

(Regulated information)  
EURONEXT Brussels: ALFA

### **Alfacam Group N.V. – Financial Results 2012 Need for a structural solution in the short term**

*Lint, Friday 29 March 2013*

#### **Overview of key figures 2012**

##### **Profit & Loss**

Operating income for the 2012 fiscal year amounted to € 42,5 million versus € 33,2 million in 2011 and € 44,5 million in 2010.

An important part of the turnover relates to the coverage of the Summer Games in London. Although the production of other events also contributed to the final results: the football competition in Saudi Arabia (January-May and September-December), WTCC European races (February-June), Cycling Tour of Turkey (April), European Football Championship in Poland and Ukraine (June-July), the Eurovision Song Contest in Baku (May) and the GCC Summit in Bahrain (December).

Other Operating income includes the sale of OB20 and OB37. A gain of € 1,5 million was realised on this sale. No OB trucks were sold in 2011.

EBITDA has risen from € 6,0 million in 2011 to € 12,0 million in 2012. EBITDA represent 28% of the turnover, compared to 18% in 2011. The main reasons for the increase of the EBITDA are:

- An increase in turnover of 28%;
- Staffing costs remaining stable compared to 2011 (with a slight increase of 4%);
- Additional productions were covered by freelancers (with a 10% increase in costs);
- An increase of 14% of the general company costs due to the external rent of material and also consultancy fees in the search for potential investors.

The Board of Directors of Alfacam Group N.V. has made an analysis around the value of the real estate assets (land and buildings) of the group (owned by the entities Alfacam N.V. and Euro1080 N.V.). It was noted that the consolidated book value was no longer in line with the fair value of these assets and the Board has decided to take the necessary impairments on the respective assets which amount to € 9,8 million.

Depreciations and amortisations have gone up to € 26,0 for the year 2012. As a result EBIT is € -14,0 million versus € -8,0 million in 2011.

Due to the high level of debt the financial costs are very comparable to last year (€ 5,6 million). This includes the unpaid interest of € 1,0 million on the subordinated loans.

The net result is € -21,8 million for 2012 compared to € -13,9 million for 2011. A number of exceptional items are included in the 2012 results: an impairment on the buildings of € 9,8 million, a reversal of deferred tax assets of € 2,7 million, extra depreciation on the technical material of € 1,5 million and provisions for on-going legal conflicts for € 357k.

### Balance sheet

On the balance sheet, all long-term debts related to repayments to the banks regarding the leases of OB-trucks and the building, were reclassified from long-term to short-term debts.

Alfacam Group also made impairments of € 9,8 million on its real estate assets. The shareholders' equity has become negative up to € -4,6 million.

### **Continuity of the group**

These figures were established under the assumption of going concern. However, the continuity cannot be guaranteed today.

As communicated earlier, Alfacam Group NV and its Belgian affiliated legal entities have obtained judicial protection since 26 October 2012 as set out in the Continuity of Enterprises Act. The protection period has been extended until 5 May 2013 included. On 15 April 2013 the company has to submit a reorganization plan to the Court.

The negotiations with Hinduja Group in order to find a structural solution for the group are progressing in difficult circumstances. A final outcome is expected shortly. Negotiations are also held with other potential investors.

If the negotiations do not lead to a decision in the short term, the continuity of the company may be in danger.

As a result of the preparation of the final results it was noted that also for the subsidiaries Alfacam N.V. and Euro1080 N.V., an extraordinary general meeting will have to be organised in line with the application of article 633 of the Belgian Company Code. The extraordinary general meeting of Alfacam Group N.V. to decide on the continuity of this company as provided for in art. 633 BCC will take place on 12 April 2013.

### Note of the auditor

The auditor confirms that his audit work is substantially completed.

The auditor, in accordance with the auditing standards of the Institute of Company Auditors, intends, unless the circumstances meanwhile modify, expressing a disclaimer of opinion given the state of the company is characterized by significant uncertainties, which may materially affect the financial figures mentioned in this press release. These uncertainties relate mainly to the business continuity (e.g. the ongoing negotiations with potential buyers, banks and other interested parties), and the content of certain balance sheet items (of which the value depends on the business continuity).

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**About Alfacam Group**

**Alfacam Group** [EURONEXT Brussels: ALFA] groups de activities from Alfacam, EuroLinX and Euro1080 (EUROCAM MEDIA & FILM CENTER & HD1).

**Alfacam** primarily delivers services to TV stations and production houses. The company has the largest HD OB fleet in Europe. More information on [www.alfacam.com](http://www.alfacam.com).

**Eurolinx** is the sister company of Alfacam, offering wireless services to TV stations and production houses. More information on [www.alfacam.com/wireless](http://www.alfacam.com/wireless).

**Eurocam Media Center** is a complex of 16 studio's dedicated to television, film and event productions and a « business center ». More information on [www.eurocammediacenter.be](http://www.eurocammediacenter.be).

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**PROFIT AND LOSS ACCOUNT\***

	2012	2011
	€ 000	€ 000
<b>CONTINUING OPERATIONS</b>		
Revenue	40.115	31.692
Other operating income	2.427	1.470
<b>Total operating income</b>	<b>42.542</b>	<b>33.162</b>
Freelancers	-5.473	-4.967
Personnel costs	-8.387	-8.035
Depreciations	-15.530	-13.102
Amortisations	-10.492	-889
Other operating expenses	-16.637	-14.145
<b>Total operating expenses</b>	<b>-56.519</b>	<b>-41.137</b>
<b>Operating profit (loss)</b>	<b>-13.977</b>	<b>-7.975</b>
<b>EBITDA</b>	<b>12.045</b>	<b>6.015</b>
Financial income	20	54
Financial expenses	-5.606	-5.520
<b>Profit (loss) from continuing operations before taxes</b>	<b>-19.563</b>	<b>-13.441</b>
Income tax	-2.850	-465
<b>Net profit (loss) from continuing operations</b>	<b>-22.413</b>	<b>-13.907</b>
<b>DISCONTINUED OPERATIONS</b>		
<b>Result from discontinued operations</b>	536	83
<b>NET PROFIT (LOSS) (consolidated company)</b>	<b>-21.877</b>	<b>-13.824</b>
Attributable to shareholders of the group	-21.877	-13.824

	2012	2011
	€	€
<b>PROFIT (LOSS) PER SHARE</b>		
Basic, for profit for the year attributable to ordinary equity holders of the parent	-2,54	-1,56
Basic, for profit from continuing operations attributable to ordinary equity holders of the parent	-2,54	-1,57
Diluted, for profit for the year attributable to ordinary equity holders of the parent	-2,54	-1,56
Diluted, for profit from continuing operations attributable to ordinary equity holders of the parent	-2,54	-1,57

**Consolidated statements of other comprehensive**

	2012	2011
	€ 000	€ 000
<b>Net result</b>	<b>-21.877</b>	<b>-13.824</b>
Exchange differences on translation of foreign operations	33	-53
<b>Other comprehensive income net of tax</b>	<b>33</b>	<b>-53</b>
<b>Total comprehensive income</b>	<b>-21.844</b>	<b>-13.877</b>
Total result attributable to shareholders of the Group	-21.844	-13.877

\* These figures were established under the assumption of continuity. However, the continuity cannot today be guaranteed.

**CONSOLIDATED BALANCE SHEET\***

	2012	2011
	€ 000	€ 000
<b>ASSETS</b>		
Goodwill	258	258
Intangible assets	133	219
Property, plant & equipment	52.683	75.266
Land and buildings	13.059	23.986
Technical equipment	38.802	49.509
Other	822	1.638
Assets under construction	0	133
Investment property	385	1.077
Other assets	231	264
Deferred tax assets	0	2.656
<b>Non-current assets</b>	<b>53.690</b>	<b>79.740</b>
Goods for resale	72	310
Trade receivables	4.114	11.729
Other receivables	2.154	1.564
Cash and cash equivalents	2.273	791
<b>Current Assets</b>	<b>8.613</b>	<b>14.394</b>
<b>TOTAL ASSETS</b>	<b>62.303</b>	<b>94.134</b>
<b>LIABILITIES</b>		
Share capital	22.126	22.126
Share premium	2.276	2.276
Other reserves	3.240	3.207
Retained earnings	-32.257	-10.380
<b>Shareholder's equity</b>	<b>-4.615</b>	<b>17.230</b>
Subordinated loans	0	0
Financial leases	410	172
Long term financial loans	0	0
Advances received	1.035	1.298
Provisions	0	0
Other payables	0	0
<b>Non-current liabilities</b>	<b>1.445</b>	<b>1.470</b>
Current portion subordinated loans	8.802	7.758
Current portion of financial leases	15.012	25.511
Current portion of long term financial loans	7.353	8.193
Short term financial loans	22.292	16.964
Provisions	685	914
Trade payables	7.895	7.092
Advances received	171	1.854
Other payables	3.263	7.147
<b>Current liabilities</b>	<b>65.473</b>	<b>75.434</b>
<b>TOTAL LIABILITIES</b>	<b>62.303</b>	<b>94.134</b>

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**CONSOLIDATED CASH-FLOW\***

	2012	2011
	€ 000	€ 000
<b>CONTINUED OPERATIONS</b>		
Net profit (loss)	-22.413	-13.907
Adjusted for:		
Income taxes	2.850	-23
Other operating income from investment grants	-325	-374
Gains/Loss on disposal of non-current assets	-1.672	-433
Depreciations of non-current assets and investment property	15.530	13.102
Amortizations on trade receivables and goods for resale	10.492	881
Financial result	5.586	5.466
Other	33	0
<b>Cash flow from operating activities before changes in working capital</b>	<b>10.081</b>	<b>4.712</b>
Income tax paid	-194	-3
(Increase) Decrease in long-term receivables	33	2.634
(Increase) Decrease in goods for resale, excluding amortization	89	-97
(Increase) Decrease in trade receivables, excluding amortization	7.060	-3.361
(Increase) Decrease in other receivables, excluding government grants	-590	-194
Increase (Decrease) in advances received, excluding government grants	-1.621	199
Increase (Decrease) in trade payables	-374	23
Increase (Decrease) in other payables	-3.484	1.891
<b>Changes in working capital</b>	<b>919</b>	<b>1.096</b>
<b>Net cash flow from operating activities</b>	<b>11.000</b>	<b>5.805</b>
Disposal of non-current assets	3.997	2.124
Acquisition of non-current assets	-3.233	-6.114
Acquisition of non-current assets - transfers from goods from resale		0
Received investments grants		0
<b>Net cash flow from investing activities</b>	<b>764</b>	<b>-3.990</b>
Mezzanine loans	0	800
Net financial leases	-9.995	-13.877
Proceeds from long-term borrowings and other loans	5.305	14.084
Repayment of long-term borrowings and other loans	-1.083	-1.562
Paid financial expenses	-4.416	-5.861
Capital increase	0	3.200
<b>Net cash flow from financing activities</b>	<b>-10.189</b>	<b>-3.216</b>
<b>Total net cash flow from continued activities</b>	<b>1.575</b>	<b>-1.402</b>
<b>DISCONTINUED OPERATIONS</b>		
Net cash flow from operating activities	-93	-411
Net cash flow from investing activities	0	0
Net cash flow from financing activities	0	0
<b>Total net cash flow from discontinued activities</b>	<b>-93</b>	<b>-411</b>
<b>Total net cash flow</b>	<b>1.482</b>	<b>-1.814</b>
Cash and cash equivalents at 1 January	791	2.605
Cash and cash equivalents at 31 December	2.273	791
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1.482</b>	<b>-1.814</b>

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