



Press Release

- Revenues and earnings in line with expectations in the first quarter of 2010
- Targets confirmed for 2010 as a whole

Q1 2010: Highlight Group improves profitability

Pratteln, May 26, 2010

Despite difficult market conditions in some cases, the Highlight Group ended the first quarter of 2010 with its consolidated revenues and net result for the period within its annual planning. The situation in the TV service production business area remained challenging due to the cost-saving measures that many TV broadcasters introduced in the previous year. In addition, the German cinema market was dominated in the first three months by the large 3-D productions of the major studios, meaning that Highlight's theatrical distribution business area did not achieve the high audience figures of the first quarter of 2009.

In line with expectations, first quarter consolidated revenues were CHF 100.1 million, down by CHF 16.7 million on the previous year's figure of CHF 116.8 million. Profit from operations fell only slightly to currently CHF 8.3 million (first quarter of 2009: CHF 8.8 million). Net profit for the period increased significantly, improving from CHF 5.2 million to CHF 6.1 million. CHF 2.2 million (previous year's period: CHF 0.2 million) of this relates to non-controlling interests. CHF 1.9 million (previous year's period: CHF 0.0 million) of this amount relates to UEFA's 20% stake in Team Holding AG. Correspondingly, the profit share of Highlight shareholders decreased to CHF 3.9 million. This figure represents earnings per share of CHF 0.08 – a decrease of CHF 0.03 compared with the previous year.

The Sports- and Event-Marketing segment put in an enjoyable performance in the first quarter. Revenues increased by 17.5% year-on-year to CHF 24.9 million and the segment result improved by as much as 24.4% to CHF 11.2 million, mainly as a result of the marketing successes of the Highlight subsidiary TEAM in the current seasons of the UEFA Champions League and the new UEFA Europa League.

In terms of liquidity, the Highlight Group had cash and cash equivalents of CHF 187.8 million as of the end of the first quarter of 2010 – a decline of CHF 13.3 million as compared with the end of 2009 (CHF 201.1 million). This is offset by financial liabilities of CHF 284.5 million (December 31, 2009: CHF 317.9 million). Accordingly, net debt dropped significantly by CHF 20.1 million to CHF 96.7 million.

Consolidated equity (including non-controlling interests) recorded a slight increase of CHF 0.9 million to CHF 111.7 million as against the end of 2009 (CHF 110.8 million). This equity corresponds to a calculated equity ratio of 19.3% as against 17.5% as of December 31, 2009.



With regard to the year 2010 as a whole, the Highlight Group continues to assume that consolidated revenues will be between CHF 420 and CHF 440 million and earnings per share between EUR 0.42 and EUR 0.44.

The German interim report as of March 31, 2010 is available for downloading from the Company's website www.highlight-communications.ch as of today. The English version will be available from May 28, 2010.

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