



Press Release

- Consolidated sales increased by 27.8% to CHF 312.7 million
- EBIT improved by 9.9% to CHF 30.0 million
- Net debt reduced by CHF 20.5 million to CHF 43.0 million

Q3 2012: Highlight Group with substantial sales growth

Pratteln, November 12, 2012

As expected, the Highlight Group posted its highest sales and earnings of the current fiscal year to date in the third quarter of 2012. This was due firstly to the successful releases of the international Constantin Film own production “Resident Evil: Retribution” and the licensed title “Step Up Revolution” and secondly to the high sales figures generated by the comedy “Türkisch für Anfänger” in home entertainment exploitation.

As a result of these positive developments, consolidated sales in the first nine months of 2012 rose to CHF 312.7 million – up 27.8% on the previous year’s figure of CHF 244.7 million. Total output of the Highlight Group (sales plus capitalized film production costs and other own work capitalized) increased by as much as 30.2% to CHF 357.2 million (previous year’s period: CHF 274.3 million). Consolidated operating expenses rose by 28.7% to CHF 344.8 million (previous year’s period: CHF 267.9 million), and the profit from operations (EBIT) improved by 9.9% from CHF 27.3 million to CHF 30.0 million.

Mainly as a result of currency effects, the financial result was CHF 7.2 million lower than in the first nine months of the previous year. This meant that the positive operational development was not fully reflected in the consolidated net profit. At CHF 21.5 million, the consolidated net profit was CHF 3.0 million lower than the previous year’s figure. The share of earnings attributable to Highlight’s shareholders amounted to CHF 20.9 million (previous year’s period: CHF 23.4 million). Based on the shares in circulation, this corresponds to earnings per share of CHF 0.45 (previous year’s period: CHF 0.51).

The development of the Film segment was very pleasing: With external sales of CHF 248.2 million, it exceeded the previous year’s figure of CHF 175.6 million by 41.3%. At the same time, other income recorded an increase of CHF 10.8 million to CHF 61.2 million. Expenses climbed by CHF 79.9 million to CHF 299.9 million. Accordingly, segment earnings improved considerably by 61.0% to CHF 9.5 million (previous year’s period: CHF 5.9 million).

At CHF 57.1 million, external sales of the Sports- and Event-Marketing segment were 17.0% lower than the previous year’s level (CHF 68.8 million). This decline chiefly resulted from the fact that UEFA has been managing the organization of the UEFA Champions League and the UEFA Europa League by itself since July 1, 2012. Savings of CHF 10.1 million could not fully compensate for this decline, meaning that the segment earnings of CHF 25.4 million were slightly lower than the figure for the first nine months of the previous year (CHF 26.3 million).



The Other Business Activities segment generated external sales of CHF 7.3 million (previous year's period: CHF 0.4 million) and other income of CHF 1.1 million (previous year's period: CHF 0 million). After deducting expenses of CHF 9.4 million (previous year's period: CHF 1.2 million), the segment earnings of CHF -0.9 million were at the previous year's level (CHF -0.8 million).

As of September 30, 2012, the Highlight Group had cash and cash equivalents amounting to CHF 261.0 million, corresponding to an increase of CHF 120.3 million as against the end of 2011 (CHF 140.7 million). Net debt was reduced from CHF 63.5 million to CHF 43.0 million.

Consolidated equity (including non-controlling interests) rose by CHF 15.4 million to CHF 111.4 million (December 31, 2011: CHF 96.0 million).

In the current fourth quarter, the Highlight Group expects the positive business performance so far to continue and is therefore reiterating its sales and earnings forecast for 2012 as a whole. As before, the company expects to generate consolidated sales of between CHF 370 million and CHF 390 million and earnings per share of EUR 0.42 to EUR 0.44.

The interim report as of September 30, 2012 is available for downloading from the company's website www.highlight-communications.ch as of today.

For questions, please contact:

HIGHLIGHT COMMUNICATIONS AG
Investor Relations
Netzibodenstrasse 23b
4133 Pratteln / Switzerland
Phone: +41 (0)61 816 96 91
E-mail: ir@hlcom.ch