

European media companies return to profit as advertising revenues improve

Date: 03-09-2010 10:20 AM CET

Category: [Media & Telecommunications](#)

Press release from: [Dataxis](#)



After the advertising market was hit by economic recession and ad budget shifting, some major European media companies are finally starting to return to profit in Q4.

Although the increase in ad revenue is inherent to this period of the year and to the seasonality of TV watching, revenues did increase on a year-over-year basis. This tendency, along with cost management policies that media companies have undertaken, was clearly reflected in some fourth quarter results. Nevertheless, it is important to note that this cannot necessarily be translated into a general and structural change in the ad market, as some media companies are still suffering from the effects of the economic conjuncture.

Leading European media group in terms of revenues ProSiebenSat.1 recorded yearly revenues of EUR 2.761 billion, down 5.5 percent from last year. However, the Group gained ground in Q4 performance, generating revenues of EUR 880.5 million in the fourth quarter of 2009. This is equivalent to a slight gain of 1.8 percent against the fourth quarter of 2008, primarily because of higher advertising revenues in the German core market. ProSiebenSat.1's audience share increased from 29.4 percent to 30.1 percent in German core market. The company's cost management policies have also resulted in a decrease of 9.6 percent in recurring costs.

For Sweden's Modern Times Group (MTG), net sales were up 6% year on year to SEK 4,076 (3,845) million and up 4% year on year at constant exchange rates. MTG's Free-TV Scandinavia net sales were up 7% year on year to SEK 1,160 (1,083) million and up 4% year on year at constant exchange rates

Earlier this, week, the U.K.'s biggest private television company ITV announced in its 2009 preliminary results that advertising revenues forecast will be up, an estimated 7% in the first quarter of 2010, and that April estimated sales will rise 15-20%. The company's net profit was 91 million pounds (\$136 million) in 2009 after a loss of 2.55 billion pounds a year earlier.

On the other hand, Central European Media Enterprises saw its net revenues for the fourth quarter of 2009 decrease 14% to \$252.1 million, compared to the fourth quarter of 2008. CME's net revenues for the year ended December 31, 2009 decreased 30% to \$714.0 million, compared to the year ended December 31, 2008.

Leading market research and data analysis firm in the communications industry Dataxis will soon release its December 2009 quarterly updates of free TV revenues, as part of its digitTV service.

DATAxis, is an international market research and statistical intelligence company that covers 4 play markets worldwide. Our online database: www.dataxis.com contains detailed and up to date data on subscribers, revenues and ARPUs as well as annual forecasts on major operators and technology suppliers. Our news website: www.dataxisnews.com is a great tool to keep telecom professional up to date on the latest developments of the industry. In addition, we also publish our own analyses and Press Releases, under the Dataxis Views Section, that cover different regions worldwide: Middle East, Africa, Asia Pacific,

Europe, North America, and Latin America.

Dataxis Maroc SARL
3 Rue Calavon Boulevard Abdelmoumen
Casablanca - Morocco
Ms. Alkhansa Belouali
alkhansa.belouali@dataxis.com
00212674179626

[You can find this press release here](#)