**ad pepper media International N.V. generates EBITDA of EUR 1.4 million**

**Nuremberg, Amsterdam, February 14, 2019** – Based on preliminary and unaudited figures, ad pepper media International N.V. concluded the past financial year with EBITDA of EUR 1,354k (2017: EUR 2,209k), one of the best results in the company’s 20-year history.

To enhance comparability of the Group’s segment sales, for all three of its operating segments the company will distinguish in future between gross sales generated (i.e. the amounts invoiced to our customers) and the net revenue to be determined pursuant to IFRS 15 (i.e. gross sales less media costs).

Consistent with this approach, the Group’s gross sales totaled EUR 82,653k in the past financial year, corresponding to year-on-year growth of 9.4 percent (2017: EUR 75,563k). This represents the highest figure in the company’s history. Net revenue also reached a record level and amounted to EUR 20,273k in 2018 (2017: EUR 18,724k). Operating expenses came to EUR 18,519k in the 2018 financial year (2017: EUR 16,530k), equivalent to an increase of 12.0 percent. Further investments made in sales, marketing and technology activities as well as one-off expenses resulted in higher operating expenses, as a result of which the Group generated EBITDA of EUR 1,354k.

The three operating segments posted somewhat disparate developments. The ad pepper media segment reported its strongest performance in the company’s history, with gross sales of EUR 10,619k (+55.9 percent), net revenue of EUR 5,109k (+43.8 percent), and EBITDA of EUR 1,616k (2017: EUR 973k) while results at the ad agents and Webgains segments fell short of previous year`s figures. The ad agents segment generated gross sales of EUR 17,096k (2017: EUR 17,354k) and net revenue of EUR 5,011k (2017: EUR 5,422k), resulting in EBITDA of EUR 40k and thus significantly lower than in the previous year (2017: EUR 1,258k). Gross sales at Webgains amounted to EUR 54,938k in the past financial year, corresponding to year-on-year growth of 6.9 percent (2017: EUR 51,399k), with net revenue coming to EUR 10,153k (2017: EUR 9,749k). Thanks to a successful fourth quarter with growth of 12,1 percent (gross sales) and EBITDA of EUR 406k, this segment generated EBITDA of EUR 631k for the past financial year (2017: EUR 1,308k).

Liquid funds (including securities measured at fair value) amounted to EUR 20,507k (December 31, 2017: EUR 22,642k). The company still has no liabilities to banks.

The 2018 Annual Report will be published on March 28, 2019.

**Comparison of key figures (preliminary and unaudited) for 2018 and 2017:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **2018** | **2017** | **% change** |
| **Gross sales\*** | **EUR 000s** | 82,653 | 75,563 | 9.4 |
| **Net revenue\*\*** | **EUR 000s** | 20,273 | 18,724 | 8.3 |
| **Gross profit** | **EUR 000s** | 19,546 | 18,348 | 6.5 |
| **EBITDA** | **EUR 000s** | 1,354 | 2,209 | -38.7 |
| **EBIT** | **EUR 000s** | 1,027 | 1,818 | -43.5 |
| **EBT** | **EUR 000s** | 838 | 1,801 | -53.5 |
|  |  |  |  |  |
| **Equity** | **EUR 000s** | 16,512 | 16,517 | -0.0 |
| **Liquid funds\*\*\*** | **EUR 000s** | 20,507 | 22,642 | -9.4 |

\* Gross sales represent the total amount billed to clients by the Group, net of discounts and VAT.

\*\* Net revenue to be determined pursuant to IFRS 15 (i.e. gross sales less media costs)

\*\*\* Including securities measured at fair value

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