



**SCHIBSTED**  
MEDIA GROUP

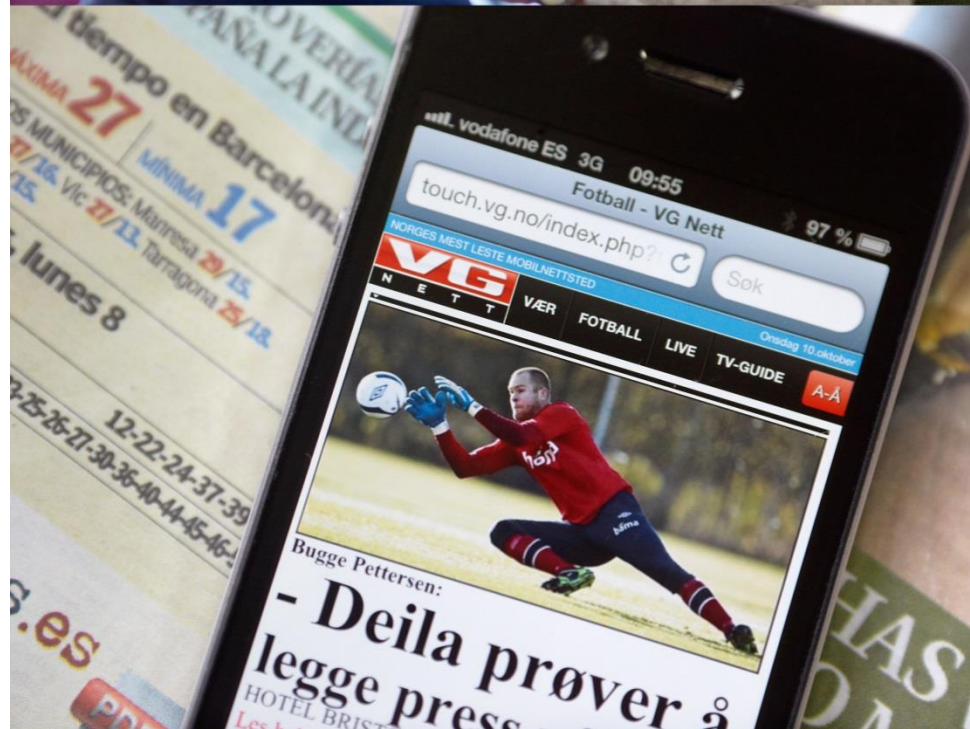
Shaping  
the media  
of tomorrow.  
*Today.*



# SEB Nordic Conference

**Trond Berger, CFO**

**Copenhagen 9 January 2014**



# Two strategic pillars

## Online Classifieds



## Media Houses



## New Online Services

We aim to be the global number 1 in Online Classifieds

Seizing the digital growth opportunity in core markets

Powerful brands and digital platforms reaching ever more readers

**Advanced data analytics**

**Customer insights**

**Payment services**

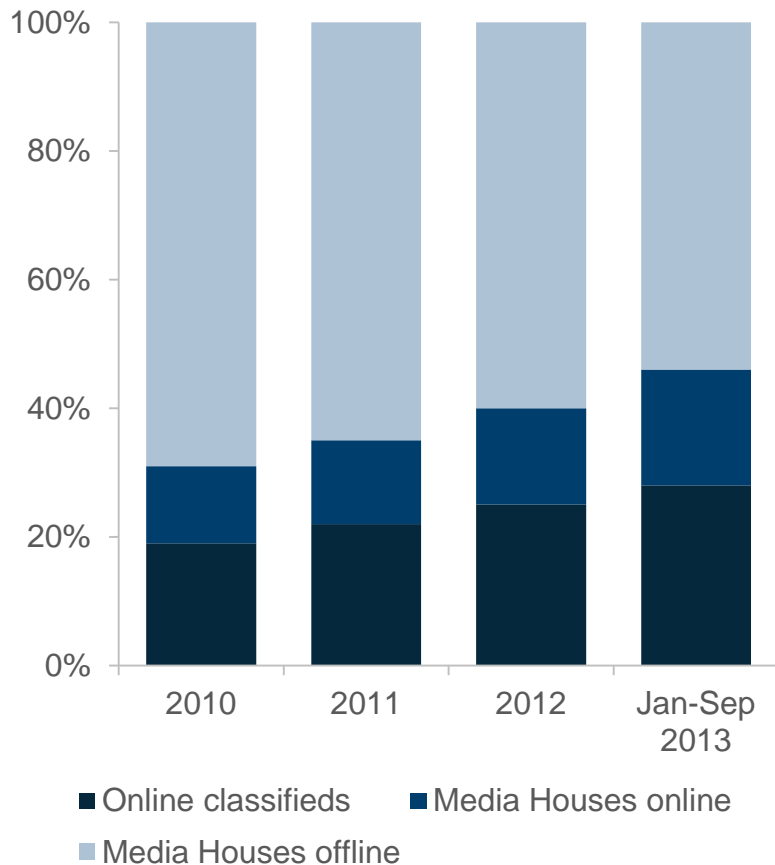
**Technology platforms**

**Organization & Competence**

# Digital transformation is accelerating

## Online revenue share development

Percent



**46%**

online revenue share

**64%**

online EBITDA share

**76%**

online EBITDA share  
excluding new ventures

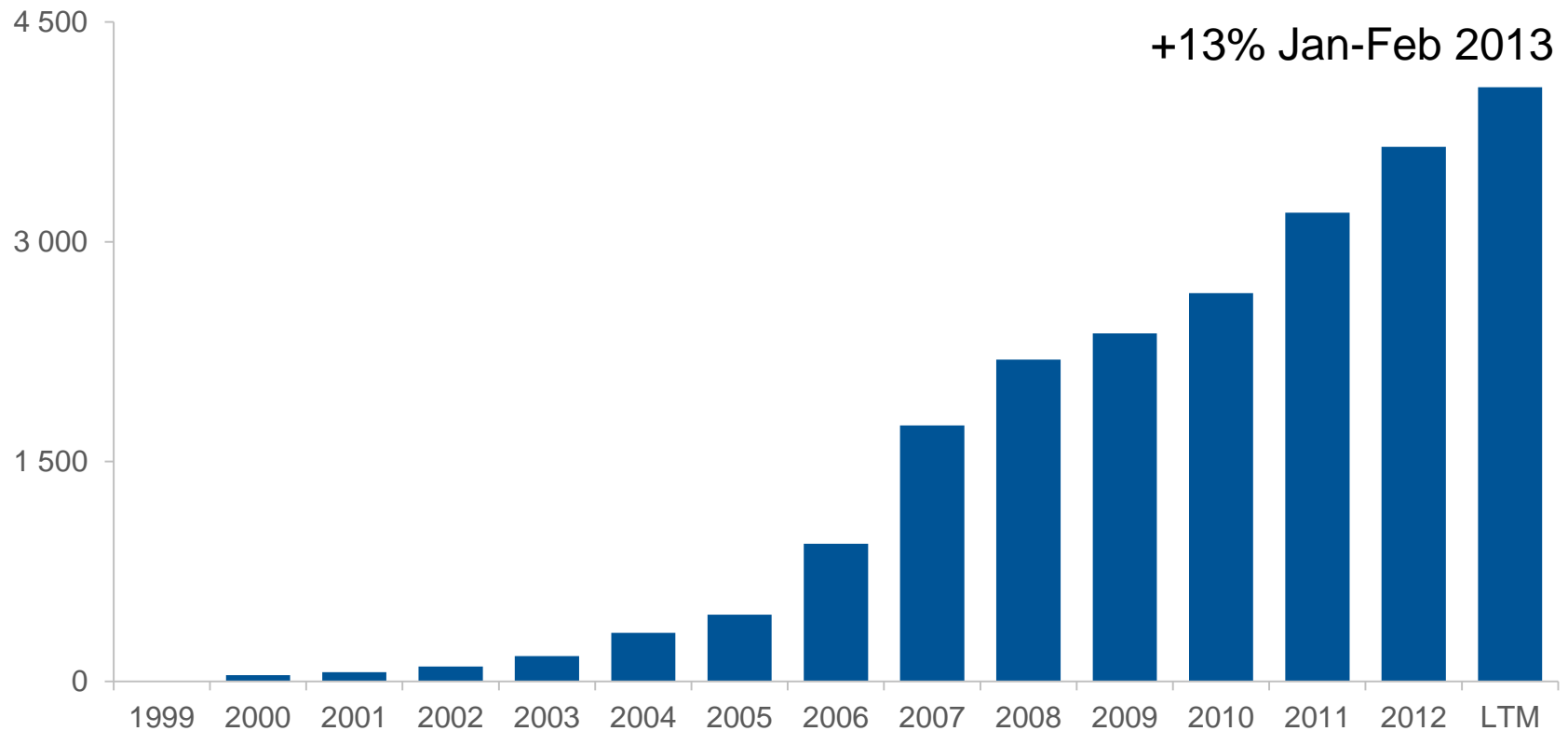
# Online Classifieds

## Online Classifieds

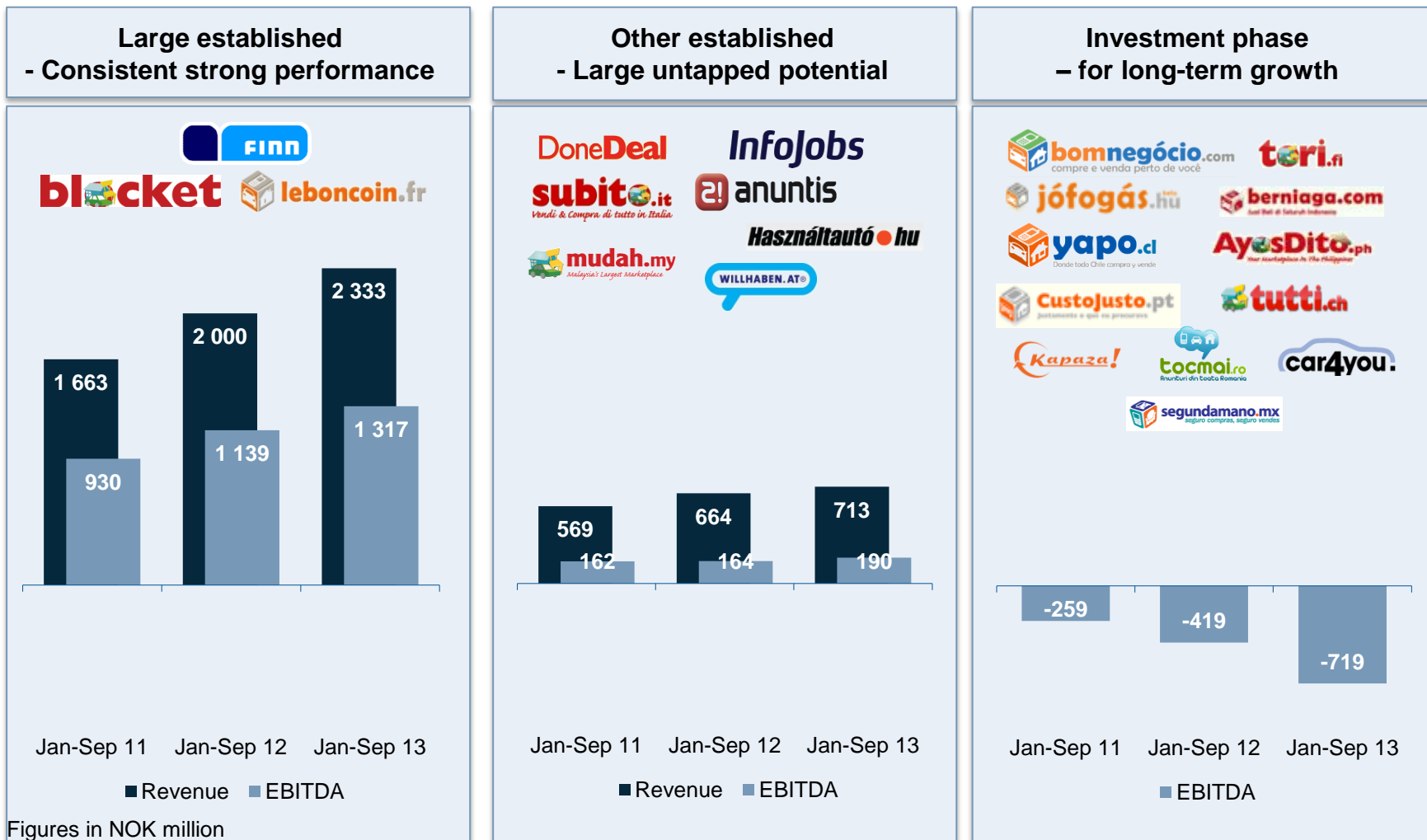
# Long term growth track record

### Revenue development, Online Classifieds

NOK million

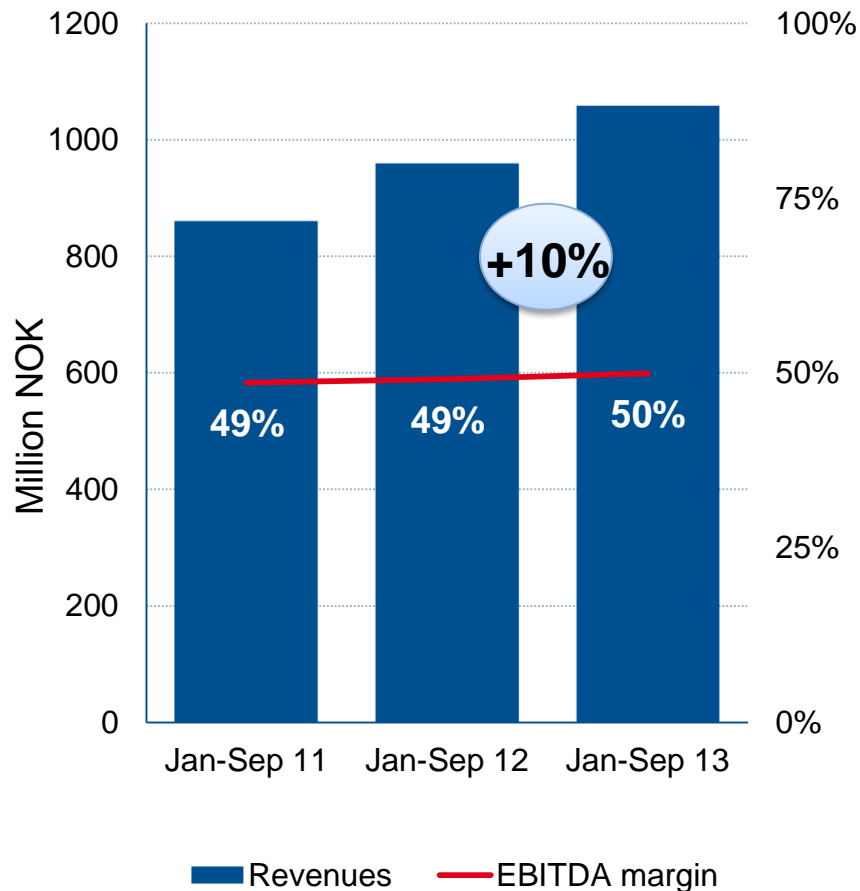


# Well balanced portfolio with steady development



# Steady growth, investments in new market positions

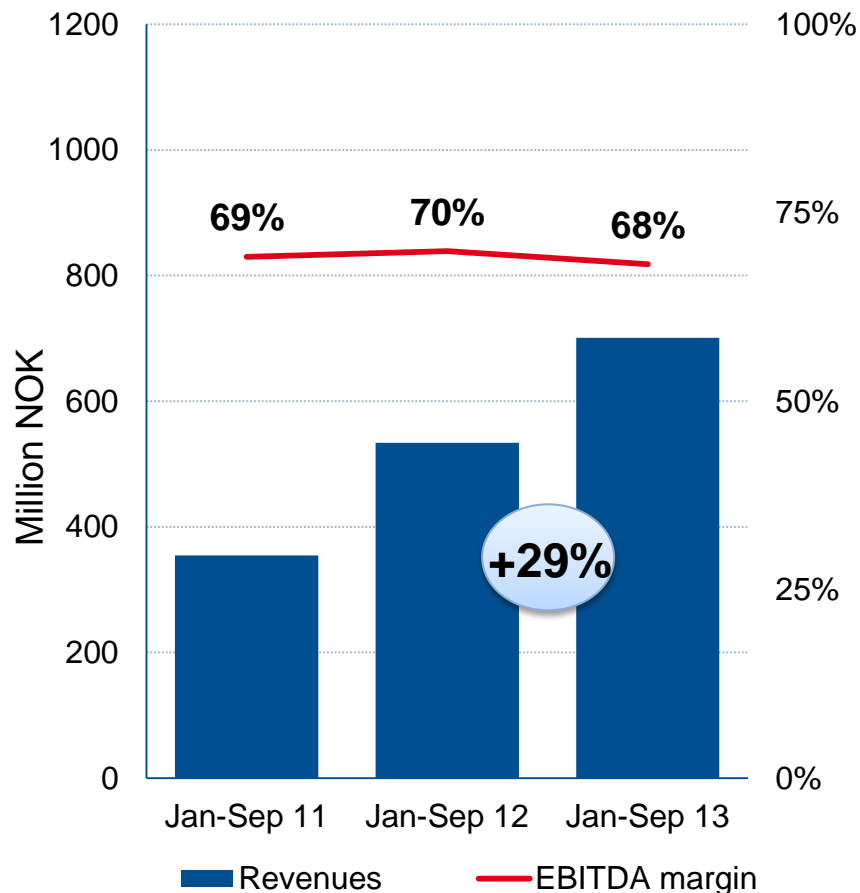
**finn** Norway



- Clear leader in jobs, cars, real estate and generalist
- Building new verticals like professional services and personal finance
- Focus on product development to meet competition from social networks
- Certain free services considered on the generalist vertical

# Solid position in France, room for further monetization of verticals

 **leboncoin.fr** France

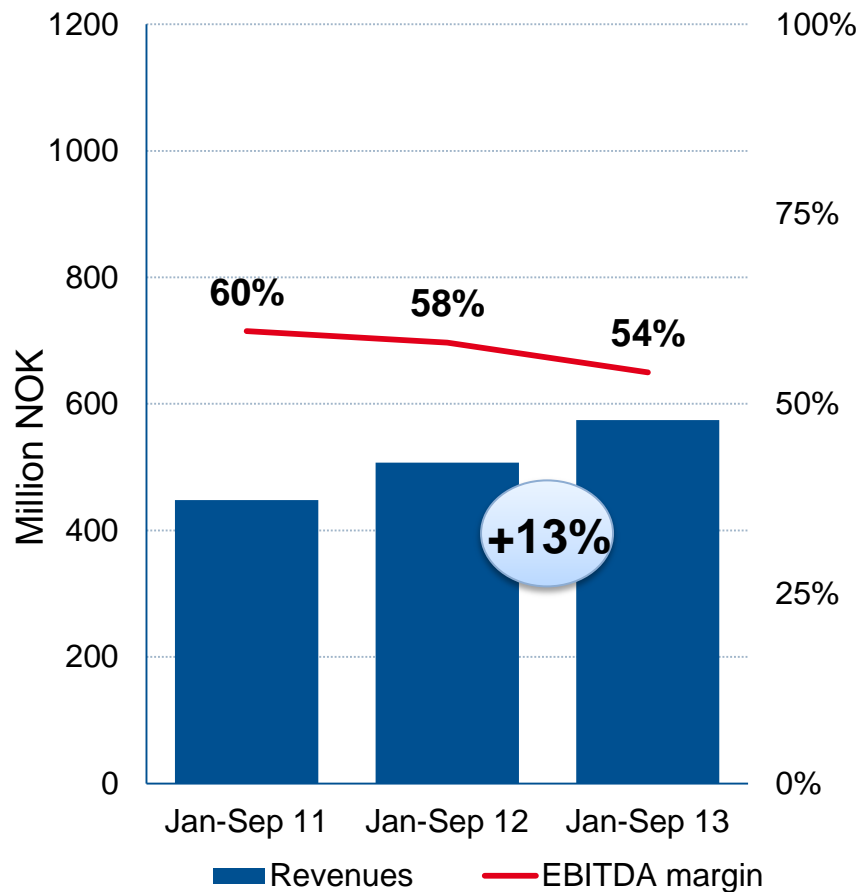


- Leading classifieds portal, top 5 web page in France
- Clear leader in generalist. Number 1 in cars
- Increasingly demanding comparable figures
- Current real estate cooperation agreement expires at the end of 2014
- Modest adaption of the market offering in 2014 to prepare for the transition

Source traffic rank: Comscore nov 2013 (page views)

# Steady revenue growth, investments in new verticals

**blocket** Sweden



- Strong leader in generalist and cars
- Steady growth in a mature vertical
- Building positions in real estate and jobs

# Solid positions with good potential in Spain

## Strong positions in all verticals

Generalist: #1/#2



Cars: #1



Real estate:  
shared #1



Jobs: #1



- Substantially increased **focus on traffic growth**
  - Reduced monetization, increased marketing cost in Q4 2013 and 2014
- Complete product makeover (all verticals except InfoJobs)
- Talent and best practice from Schibsted

# Profitable market leaders in several markets

Country		Position	Visits per month
Italy		<b>Leading</b> in Generalist and Cars	80 million (+24% Y/Y)
Austria		<b>Leading</b> in Generalist and Real estate <b>Close to leading</b> position in Cars	21 million (+51% Y/Y)
Ireland		<b>Leading</b> in Generalist and the car market	17 million (+11% Y/Y)
Malaysia		<b>Leading</b> in Generalist, positive development in cars and real estate	35 million (+58%)

Source traffic data: Schibsted internal figures web+mobile October 2013

# Continued investments in Online classifieds New ventures

- Significant step up in investments in 2013 has yielded strong growth in traffic and volume
- On a clear path to leadership in several markets
- Continued high investments in New ventures to be expected going forward

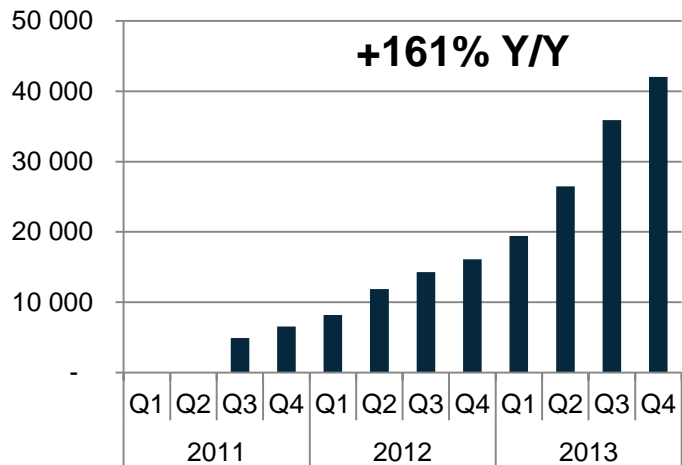


# Significant investments and strong growth in Brazil



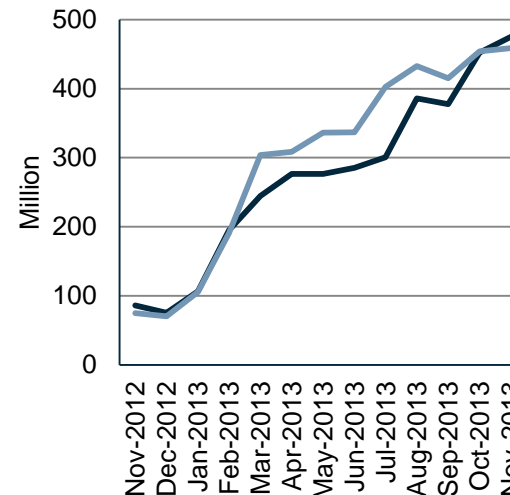
- Fierce competition against OLX in Brazil
- Continued high level of investments in Q4 2014, which will continue in 2014
- Schibsted's Bomnegocio site performs better than OLX on quality and user engagement KPIs

New ads per day



Source: Schibsted

Total pages viewed



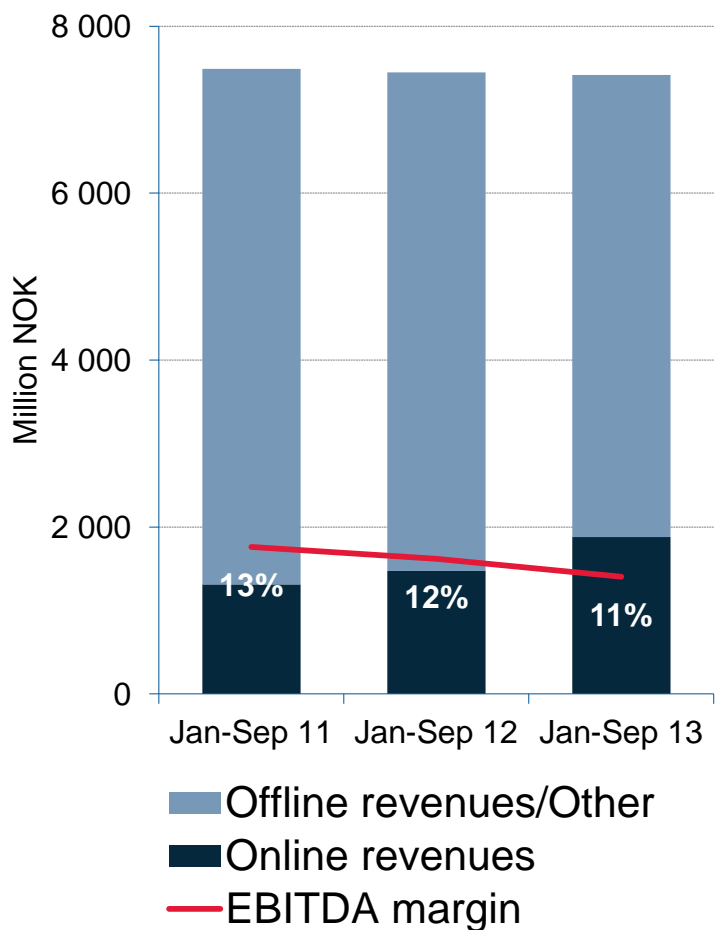
Strong growth in 2H 2013, regained leadership for Bomnegocio

— Bomnegocio.com  
— OLX.com.br

Source: Comscore

# Media houses

# Steady online growth and continued print decline

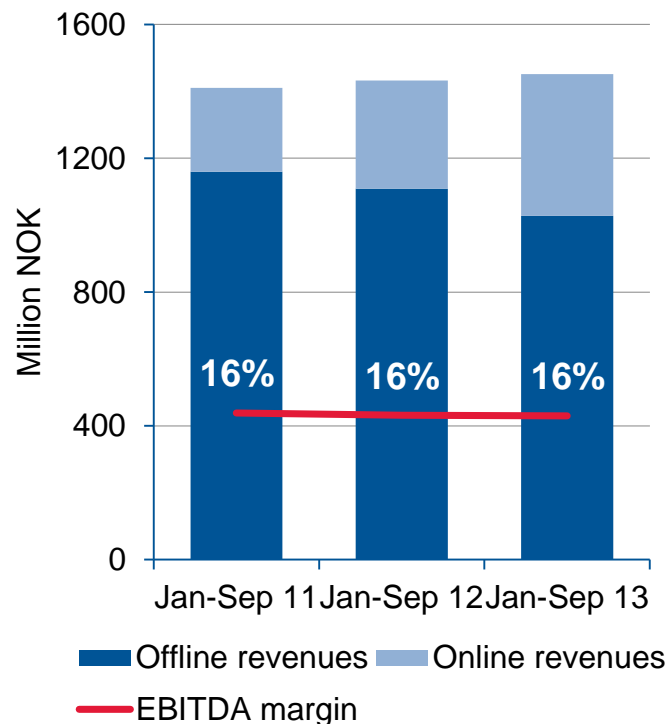


- 25% online revenue share in media houses
  - 29% in VG and Aftenbladet
  - 15% in Norwegian subscription papers
  - Schibsted Growth a pure play online growth setup
  - 16% growth in online advertising revenues Jan-Sep 2014
- Continued decline for print advertising –
  - 15% decline Jan-Sep 2014

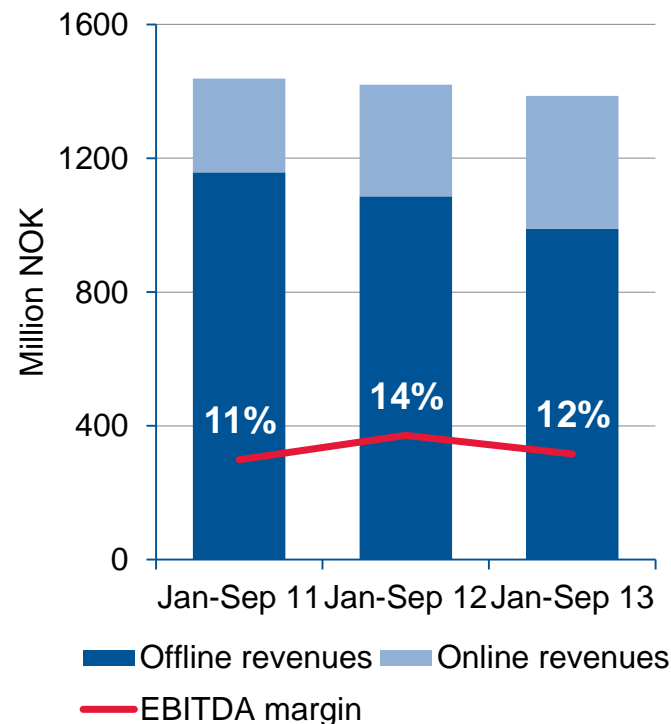
# Single copy papers: Strong online growth and cover-price increases



Norway



Sweden

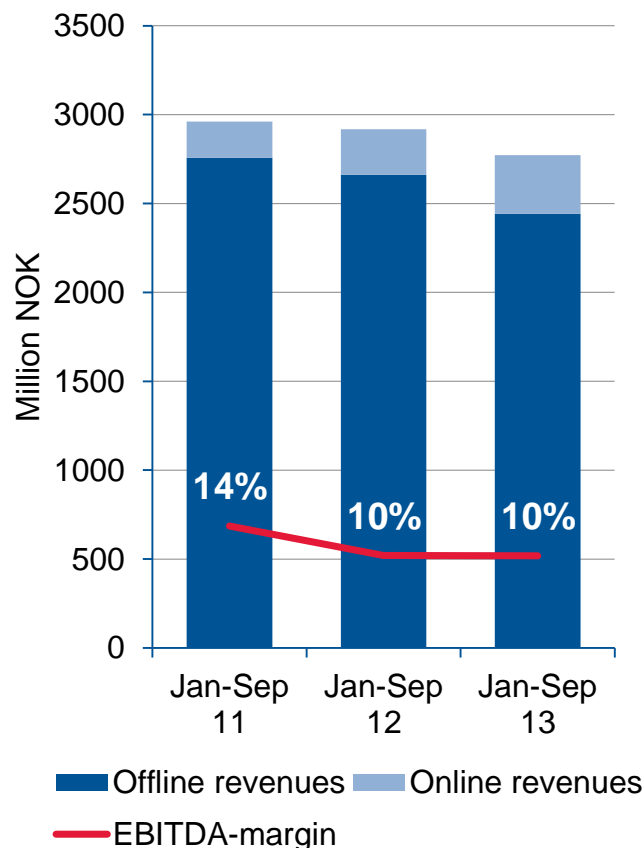


Online advertising share 64% in Q3 13 (54% in Q3 12)  
Main digital growth drivers are mobile and web TV

# Continued online growth and print decline

## Schibsted Norge

Subscription newspapers



- Strong regional and national market positions
- Focus on online growth from advertising and digital subscription models
- Tight cost control in the print operations to offset continuous print advertising decline

# Digital subscription models launched in all newspapers

- Digital payment models are launched for all titles in Scandinavia
  - Subscriptions to premium content in VG and Aftenbladet
  - Metered model in Aftenposten
  - Freemium models in regionals
  - SPiD login used in all papers
- Positive response in the market

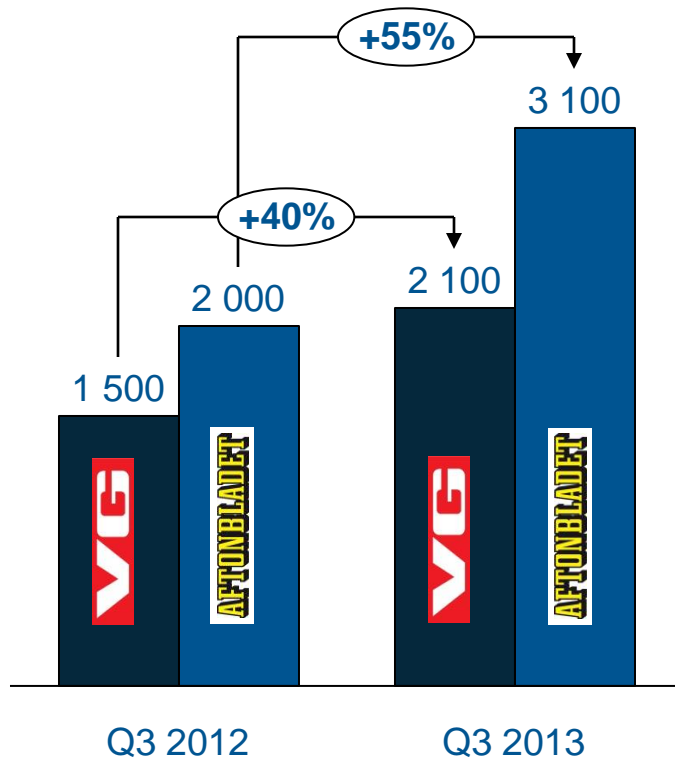
Example from Aftenposten:

Vårt beste tilbud :)

<b>Komplett</b> Avisen levert hjem man-søn Full digital tilgang hele uken	<b>Complete</b>	<b>BESTILL</b> <del>359,- MND</del> NÅ: 2 MND FOR 359,-
<b>Helg+Digital</b> Avisen levert hjem tor-søn Full digital tilgang hele uken	<b>Weekend + digital</b>	<b>BESTILL</b> <del>299,- MND</del> NÅ: 2 MND FOR 299,-
<b>Digital</b> Full digital tilgang til alt hele uken	<b>Digital</b>	<b>BESTILL</b> <del>199,- MND</del> NÅ: KR 1,- FØRSTE MND

# Mobile fuelled online advertising growth continues

Mobile traffic soars, and...



Unique weekly visitors.  
Source: TNS/KIA Index

...mobile ARPU increases

- Mobile advertising revenues +134% Y/Y in Q3
- Mobile ARPU +58% Y/Y in VG and Aftonbladet combined
- Schibsted controls the superior sites in the Nordic mobile market
  - Aftonbladet reaches 4 times as many readers as its closest competitor in Sweden
  - VG reaches twice as many as its closest competitor in Norway

# Strategic steps in 2014

# Strategic position 2014

Solid, broad digital footprint in Scandinavia

A global leader in Online classifieds with continued strong growth prospects

However...

- Competition from global online companies
  - For instance Google, Facebook, LinkedIn, Ebay, Amazon, Naspers
- Need for constant innovation and rapid product development for instance on mobile platforms
- Require top competence in tech and data analytics

# Building joint competence and services for both strategic pillars

## Online Classifieds



## Media Houses



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**Organization & Competence**

# Global recruiting of new competence within data analytics and technology

Digital Transformation   Advanced Data Analytics   Technology   Pricing   Schibsted at a glance

## Seeking world leading experts


We are looking for GREAT people who want to "change the world" through advanced technology, data analytics and digital innovation.

[Learn more](#)

## Be part of a winning team.


We're serious about our work, but don't take ourselves too seriously. Our culture is centered around our values of high integrity, teamwork, innovation, and winning. We also have certain beliefs and principles guiding our digital transformation, such as always asking which job we are solving for our users and always asking what we can do to make better products. Our ambition is global, our standard is world class, and we are willing to take risks.

[See digital transformation principles](#)




## Lead our digital transformation!

We consider ourselves a defining force both within and outside the media industry. Throughout our history we have been driven by a desire to challenge conventions and move in new directions. Today we are one of the most successful digital companies in the world – a globally admired transformer of digital journalism and an innovative provider of online and mobile services. You are important for us to make the next leap.



## It's MORE than a job.


Schibsted's mission is "Empowering people in their daily life". It is a mission that we are proud of and that will always hold true. We fulfill our mission through quality journalism and by standing up for freedom of the press. We fulfill our mission by providing transparent and secure marketplaces for people. And we fulfill our mission by offering an increasing number of innovative digital services for our users, from travel to personal finance to career services.



## Join us and change the world.

Technology and advanced data analytics are important enablers for us to continue to fulfill our mission. We intend to continue delighting people with digital services and being at the forefront of digital journalism. That's why we have embarked on a forceful digital transformation.

We believe Schibsted is a dream come true for any data scientist, manager, entrepreneur, journalist, or developer looking to change the world for the better. That's why we want you to join us!



Pricing

Churn modelling

Conversion

Segmentation

Shared technological platforms

# Creating a robust platform for scalability and growth

Goal:

Fast, flexible and cost efficient innovation and development processes,

Investment in data analytics and technology:

NOK 100-150 million will affect our EBITDA in 2014

LOCALLY DEVELOPED



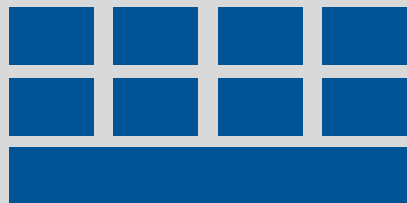
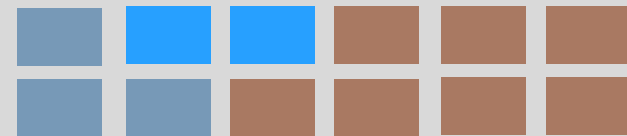
Example: SUBITO.IT



LOCALLY DEVELOPED



Example: AFTENPOSTEN.NO



CLASSIFIEDS PLATFORM



CORE PLATFORM

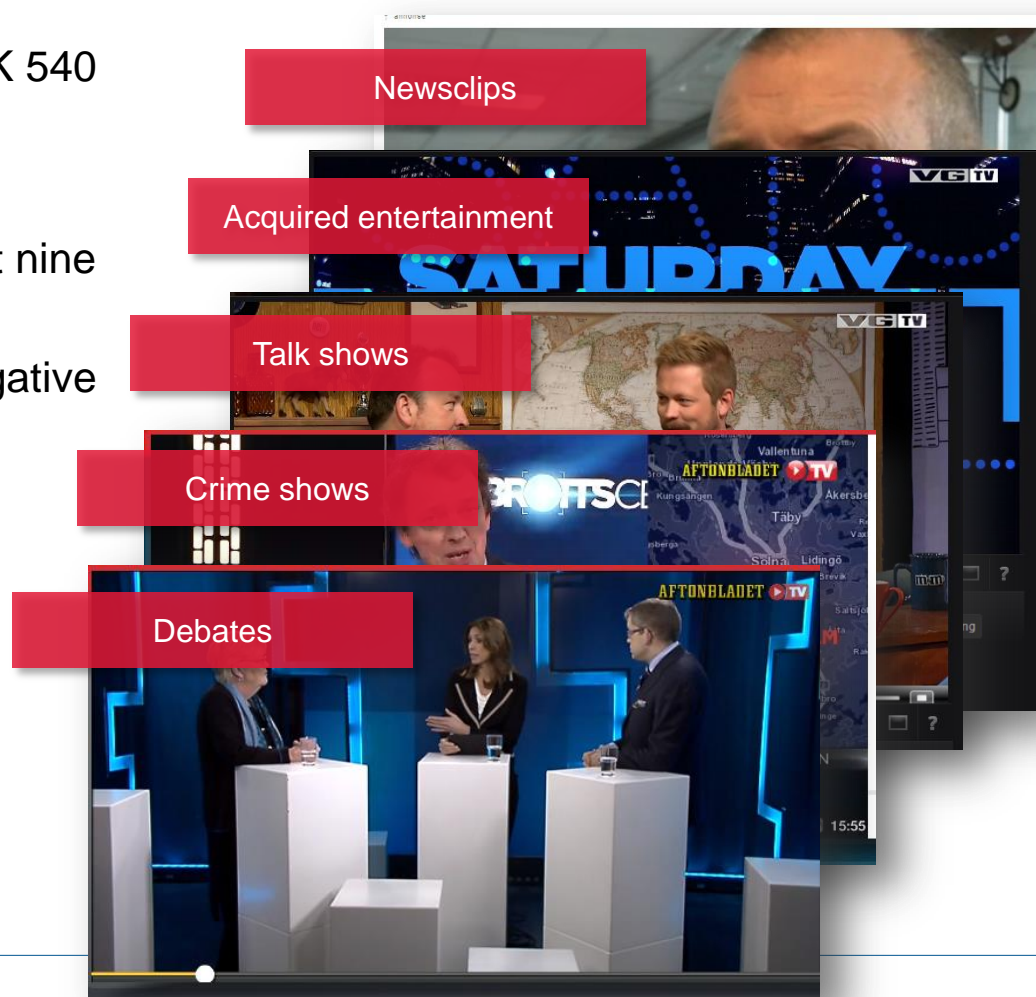
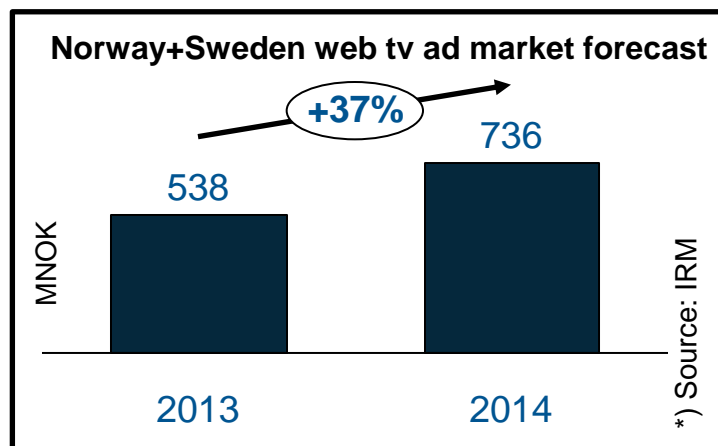


EDITORIAL PLATFORM

# Building up web TV offering in Norway and Sweden

Tapping in to a fast growing, large market potential

- Web TV advertising market 2013 NOK 540 million\*
- Growth forecast +37% in 2014\*
- Schibsted market share ~15-20% first nine months 2013
- Short term investment phase with negative EBITDA of around NOK 50 million



# Clear strategic direction

**1**

**Targeting global leadership in Online Classifieds**

**2**

**Building world-class digital Media Houses**

**3**

**Investing in talent and technology for innovation and growth**

Q&A

Shaping  
the media  
of tomorrow.  
Today.