



SCHIBSTED
MEDIA GROUP

Q1 2017 INTERIM REPORT

JANUARY-MARCH 2017

EMPOWERING
PEOPLE IN THEIR
DAILY LIFE



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ROLV ERIK RYSSDAL
CEO



Both operating revenues and gross operating profits continued to grow well in Schibsted in Q1 2017. The improvement came in both online classifieds and media houses.

Within online classifieds we are particularly pleased with the strong progress in the verticals. We are strengthening our positions among professional customers, which contributed to an online classifieds revenue growth of 17 percent, adjusted for currency fluctuations.

Our largest online classifieds company, Leboncoin in France, continued to perform well, driven by good development in the verticals. We experienced strong growth driven by both product innovation and good general markets in Norway, and there were signs of improvement in parts of the Spanish business. In Sweden, revenues were unchanged since last year.

We see a steady decrease in investments in the emerging markets, and it gives us great pleasure to announce that we have agreed with Telenor to swap assets within our common joint ventures in emerging markets. For Schibsted it makes strong strategic and financial sense to increase our stakes in Brazil and Chile, whereas we exit several Asian markets. We are very happy with the development in Brazil, and we are excited about the further prospects for strong growth.

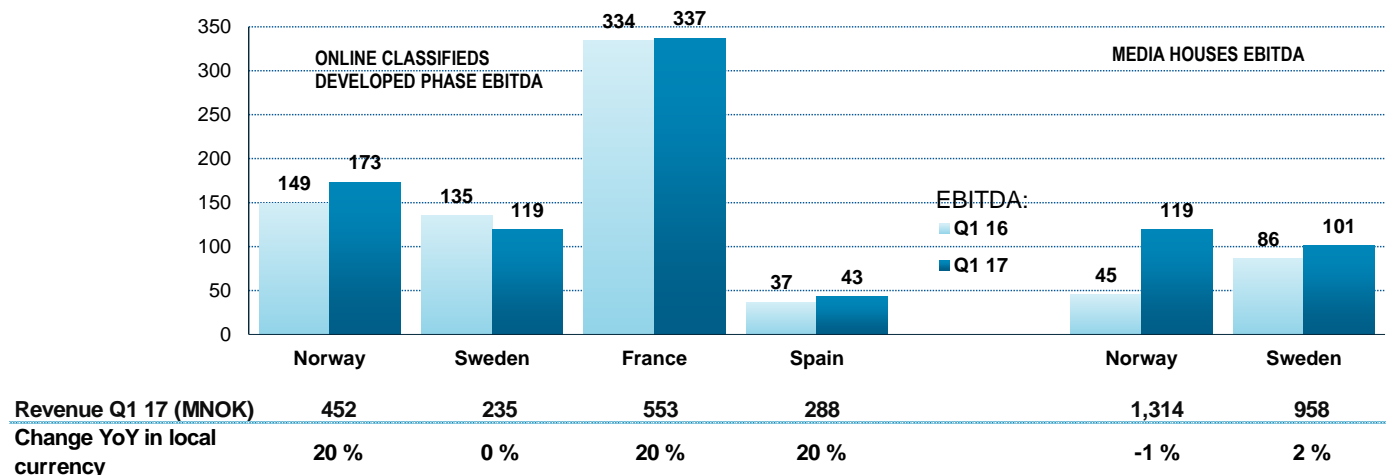
In Q1 we increased our investments in the native mobile market place Shpock. Shpock has an excellent mobile product, and is run by a very competent organization. The service is regularly breaking records in large markets like UK and Germany.

The first months of 2017 have been positive for our publishing activities. Good cost control combined with digital growth and some slowdown in the print advertising decline has led to improved operating margins. The development has been particularly strong in VG in Norway. It is also very rewarding to see that our newspapers continue to produce high quality independent journalism to the benefit of our societies.

Schibsted Growth in Sweden continues its strong development. I would particularly like to highlight Lendo, which grew revenues by 35 percent with a gross operating margin of 45 percent.

SCHIBSTED MEDIA GROUP - HIGHLIGHTS

EBITDA AND OPERATING REVENUE DEVELOPMENT IN KEY OPERATIONS (MILLION NOK)



HIGHLIGHTS OF Q1 2017

- EBITDA ex. Investment phase of NOK 669 million, a growth of 5 percent
- Online classifieds pro forma* revenue growth of 17 percent, adjusted for currency fluctuations. Total Online classifieds EBITDA ex. Investment phase grew 3 percent to NOK 661 million
- Continued progress in Developed phase of Online Classifieds
 - 20 percent revenue growth in France, driven by consistent high growth in car and real estate verticals, initiated monetization of jobs and the acquisition of MB Diffusion
 - 20 percent growth in Norway driven by verticals and personal finance
 - 20 percent revenue growth in Spain. Strengthened trend in jobs and cars, whereas real estate is sluggish, and display advertising continues to grow slowly. Acquisition of Habitaclia contributes positively
 - Unchanged revenues in Sweden affected positively by cars and jobs, whereas display advertising and Services contributed negatively
- Positive trend in Investment phase. Increased exposure to Brazil and streamlining portfolio
 - Schibsted to increase stake in OLX Brazil from 25 to 50 percent by acquiring Telenor's stakes. Exiting Malaysia, Vietnam and Myanmar by selling to Telenor
 - OLX Brazil progressing well with revenue growth of close to 160 percent Y/Y and reduced expenses. Clear aim to reach break-even during 2017
 - Significant investments and rapid growth in UK and Germany for native app Shpock, reaching a total of 41 million app downloads and 12 million monthly active users
- Tight cost control and digital product innovation leads to improved EBITDA margins improvement from 4 to 8 percent in publishing activities, even if advertising markets are challenging
- Strong quarter for VG with increased revenues and margin expansion
- Continued high growth rate in the Schibsted Growth portfolio in Sweden. Personal finance portal Lendo.se grew revenues 35 percent to SEK 101 million, with healthy margin development

*) Figures in brackets refer to the corresponding period in 2016. Online classifieds pro forma numbers include proportional consolidation of joint ventures and associates

OPERATIONAL DEVELOPMENT

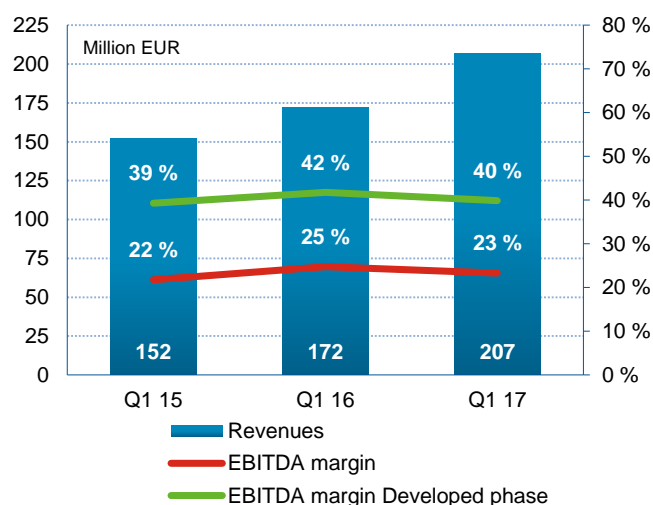
ONLINE CLASSIFIEDS

Schibsted Media Group operates online classifieds sites in 24 markets. Operations in Norway, Sweden, France, Spain, Italy, Austria, Ireland, Malaysia, Colombia and Hungary are in Developed phase, whereas online classifieds sites in Investment phase operate in several other countries.

The figures presented are pro forma figures, using proportional consolidation of joint ventures and associates. For IFRS figures, please see Note 3 (Operating segment disclosures). An overview of definitions and reconciliations is provided at the end of the report.

Online Classifieds Revenues Pro-forma (EUR mill)	First quarter		Year 2016
	2017	2016	
France	61.6	51.1	214.0
Spain	32.0	26.8	110.7
Norway	50.3	39.7	170.9
Sweden	26.1	26.4	110.0
Other	21.6	19.3	82.9
Total Developed phase	191.6	163.3	688.5
Investment phase	15.5	8.6	44.7
Total Online Classifieds revenue	207.1	171.9	733.2

Online Classifieds EBITDA Pro-forma (EUR mill)	First quarter		Year 2016
	2017	2016	
France	37.5	35.1	129.2
Spain	4.8	3.9	23.7
Norway	19.3	15.6	72.1
Sweden	13.3	14.1	62.1
Other	1.6	(0.5)	5.7
EBITDA Developed phase	76.4	68.2	292.8
Investment phase	(28.1)	(25.6)	(93.6)
EBITDA	48.3	42.6	199.2
EBITDA margin Dev. phase	40 %	42 %	43 %



Pro forma operating revenue growth was 20 percent in EUR terms in Q1 2017. On a currency neutral basis, the pro forma growth rate was 17 percent in Q1.

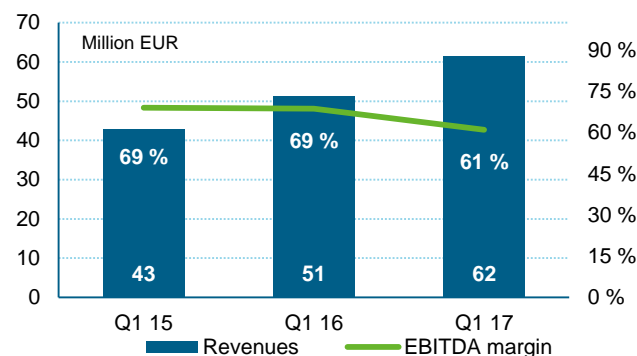
The EBITDA margin for Developed phase operations is somewhat down year over year due to low marketing activity in Q1 last year.

Investment phase revenues growth accelerated to 80 percent, year over year in Q1. The negative EBITDA of Investment phase operations was EUR 28.1 million in Q1 2017, compared to EUR 25.6 million in Q1 2016. The increased level of Investment phase EBITDA is due to high marketing activity for the mobile only app Shpock in several markets in Q1.

ONLINE CLASSIFIEDS INTERNATIONAL

Online Classifieds International comprises all online classifieds operations outside Scandinavia. The segment had consolidated revenues of NOK 1,121 million in Q1, up from NOK 994 million in Q1 2016. The revenue increase is broad-based, and all sites are growing. Consolidated EBITDA is NOK 161 million in Q1 2017 compared to NOK 159 million in Q1 2016. The EBITDA-margin is down year-over-year due to higher marketing activity.

France



Operating revenues grew by 20 percent in Q1. The revenue growth was driven by real estate and cars and the acquisition of MB Diffusion.

Leboncoin continue to show improvement in monetization in the real estate segment, especially in professional ARPU development. Real estate revenues grew by 18 percent in Q1 compared to the same period last year.

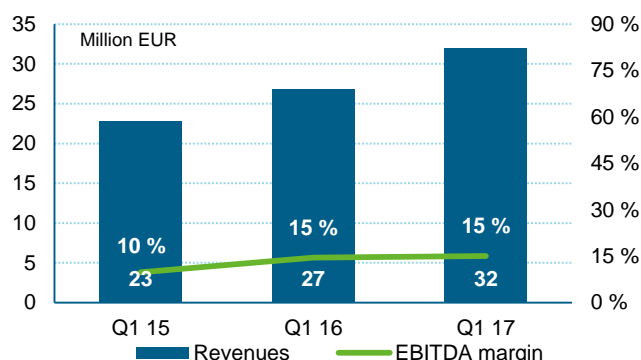
In the car segment, price increases in the beginning of the year lead to good revenue progress. Leboncoin shows consistent growth in monetization with revenues from cars growing by 16 percent in Q1 compared to the same period last year.

In the jobs vertical, monetization measures started in October 2016. Revenue contribution from the jobs vertical started to show in Q1 and the prospects going forward are positive.

EBITDA margin was 61 percent (69%). Marketing expenses were particularly low in Q1 last year, while Leboncoin ran a national TV campaign this year.

Going forward, the focus is on monetizing the verticals further and introducing new products for professional customers.

Spain



Operating revenues in Spain increased by 20 percent in Q1 to EUR 32 million. Jobs, cars and the acquisition of Habitacalia drove the growth from last year.

The growth in jobs is increasing due to macroeconomic recovery in Spain. Motor also show increased growth from last year as Milanuncios could start monetization of the professional car segment, as competition authorities' remedies expired in February. We still see increased competition in the real estate market and a slowdown in display advertising.

EBITDA in Q1 was EUR 4.8 million (3.9 million). The EBITDA margin was 15 percent in Q1, flat from Q1 last year. Marketing expenses were high in Q1, and the intention is to continue with significant marketing spend in order to support growth in the competitive generalist segment and keep our leading position in the real estate market.

Other Developed operations

The growth of operating revenues in Other Developed operations was 12 percent in Q1 2017.

EBITDA in Q1 was EUR 1.6 million. EBITDA-margin for Other Developed operations in total was 8 percent in Q1.

In Q1 the growth rates continued at a stable, high level in **Italy** and **Austria**, partly driven by increased monetization in professional verticals.

In **Ireland**, the growth rates slowed down somewhat.

Investment phase

The Investment phase portfolio continues to develop strongly in Q1 both in terms of revenue and traffic growth in both Europe, Latin America, Asia and Northern Africa. The revenue growth was 80 percent year over year, compared to 79 percent in Q4 2016.

The pro-forma EBITDA of operations in Investment phase amounted to EUR -28.1 million (-25.6 million). The increased level is due to high marketing activity for Shpock in several markets in Q1. The negative EBITDA from Shpock was EUR 17.5 million in Q1 (11.5 million). On the other hand, the negative EBITDA from Joint Ventures and Associates is continuing to go down quarter by quarter as revenue growth is accelerating and several sites see reduced need for growth in marketing spending.

The investment level (EBITDA loss) in **OLX.com.br** in Brazil is materially reduced compared to Q1 2016. This is due to both reduced marketing spending and a revenue growth of close to 160 percent in Q1 compared to Q1 2016. The

revenue growth is mainly driven by professional revenues in classifieds, due to monetization efforts launched last year, with listing fees for car dealers and real estate agents.

Schibsted has agreed with Telenor to acquire Telenor's 50 percent of SnT Classifieds. This leads to an increase in effective ownership of OLX Brazil from 25 to 50 percent and from 50 to 100 percent of Yapo in Chile. At the same time, Schibsted exits Malaysia, Vietnam and Myanmar by selling shares in 701 Search to Telenor. As a result of the difference in valuation between the assets in Asia and LatAm, Schibsted will make a cash payment of USD 400 million to Telenor. Schibsted will finance the amount with debt, and we have available funding.

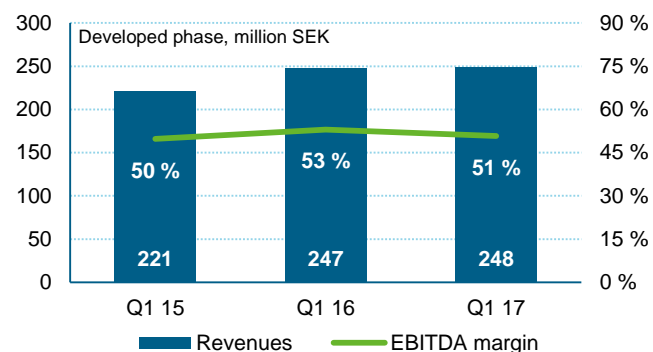
Schibsted sees good potential for value creation in the Mexican market, and investments remain high.

Segundamano.mx is focusing on consolidating the leading market position in key states, showing strong traffic numbers.

Schibsted is at the forefront of the development of mobile-only marketplaces with the native app **Shpock**. Shpock expands the market and attracts new user groups and items. It is among the most downloaded apps in the shopping category in large markets like Germany and the UK, and is experiencing an exponential growth in ad listings in these markets. In Q1, Shpock has run large marketing campaigns in several markets.

In May 2017, Schibsted announced the discontinuation of the operations and the sale of certain assets of the online classifieds site Kapaza.be in Belgium. The site was a number 2 player in the market, and the prospects for reaching market leadership were negative.

ONLINE CLASSIFIEDS SWEDEN

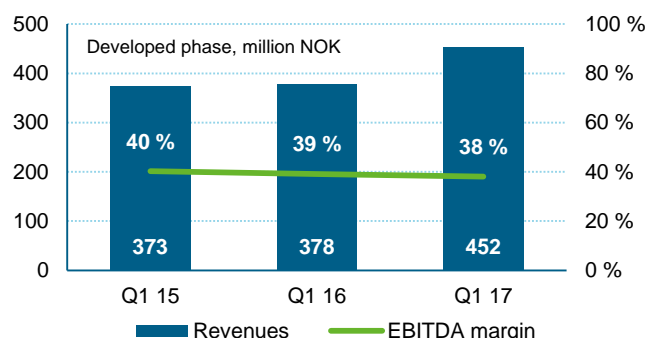


Sweden's operating revenues were SEK 248 million in Q1, a flat development from last year. The slower growth is in part due to a decline in revenues for Servicefinder, a market place for services. The revenue growth excluding Servicefinder was 3 percent in Q1.

The main drivers of growth were cars and jobs while display advertising is more challenging.

EBITDA was SEK 126 million (132 million) in Developed phase, implying an EBITDA margin of 51 percent (53%). The EBITDA margin excluding Servicefinder was 54 percent (56%).

ONLINE CLASSIFIEDS NORWAY



Norway showed a strong revenue growth of 20 percent in Q1. Revenues grew in all classified verticals, especially real estate and jobs. In 2017 Easter was in Q2, whereas it was in Q1 in 2016. This contributes positively to the year over year growth of Finn.no. Personal finance continued to show strong growth. MittAnbud, which is a marketplace for services, also had good growth in the quarter. Display advertising sales were still soft.

Marketing expenses were high in Q1 compared to last year. EBITDA was NOK 173 million (149 million) in Developed phase in Q1, implying an EBITDA margin of 38 percent (39%).

In Q2, Schibsted increased its effective ownership interest in the subsidiary Finn Eiendom AS from 79.8 percent to 90.0 percent.

MEDIA HOUSES INCLUDING GROWTH

MEDIA HOUSE NORWAY

Q1 was a strong quarter for Media house Norway. Revenues declined only 1 percent in Q1 compared to last year. We see improvements in the trend for online advertising, especially for VG. Circulation revenues are stable due to solid growth in digital subscription revenues. EBITDA in Q1 was NOK 119 million, compared to NOK 45 million in Q1 last year.

Verdens Gang (VG) media house

Verdens Gang (MNOK)	First quarter		Year
	2017	2016	2016
Operating revenues	431	428	1,700
of which offline	226	266	1,017
of which online	205	162	683
EBITDA	88	57	272
EBITDA margin	21 %	13 %	16 %

VG showed a YOY revenue growth of 1 percent in Q1. It was the first quarter of revenue growth for VG since 2014. Online revenues continued to improve in Q1 2017, with a growth of 26 percent. The growth in online advertising is seen in both programmatic and direct sales and VG increased its market share in Q1.

The number of subscribers to the premium digital subscription product VG+ is growing rapidly, and total subscriptions passed 100,000 in Q1.

The sale of the print newspaper continued to decline rapidly, but the revenue decline was somewhat curbed by cover price increases.

The EBITDA margin was 21 percent (13%). Operating costs were reduced with 8 percent.

Subscription-based newspapers Norway

Subscription newspapers (MNOK)	First quarter		Year
	2017	2016	2016
Operating revenues	634	702	2,848
of which offline	481	563	2,233
of which online	153	139	615
EBITDA	32	4	161
EBITDA margin	5 %	1 %	6 %

Operating revenues declined by 10 percent in Q1. The trend in print revenues continued in Q1 with a decline of 15 percent. Online revenues grew 10 percent from last year, driven by digital subscription revenues. The advertising market is still challenging for all the subscription newspapers, both in print and digital.

Online subscription volumes developed positively, and passed 119,000 pure digital subscribers at the end of the quarter. Total subscription revenues increased 8 percent in Q1 compared to the same quarter last year, driven by growth in digital subscriptions.

The EBITDA margin was 5 percent (1%). Total operating expenses were reduced by 14 percent as a result of continuous work on adapting the cost base to the markets.

MEDIA HOUSE SWEDEN

Revenues increased 2 percent in SEK terms in Q1 compared to the same period last year. Online revenues are growing at a faster pace than the decline in print. Total EBITDA increased 25 percent in Q1 compared to last year.

Aftonbladet media house

Aftonbladet (MSEK)	First quarter		Year
	2017	2016	2016
Operating revenues	436	462	1,933
of which offline	239	260	1,045
of which online	197	202	888
EBITDA	31	44	236
EBITDA margin	7 %	10 %	12 %

Operating revenues were down 6 percent compared to Q1 2015. Online revenues decreased by 3 percent in Q1. Print revenues were down 8 percent in the quarter.

Print circulation volume on weekdays declined by 23 percent in Q1 compared to Q1 2016.

Operating expenses are 3 percent down compared to Q1 2016. The EBITDA margin was 7 percent (10%).

Subscription-based newspaper - Svenska Dagbladet (SvD)

SvD (MSEK)	First quarter		Year
	2017	2016	2016
Operating revenues	225	233	951
EBITDA	11	17	74
EBITDA margin	5 %	7 %	8 %

Operating revenues declined 4 percent in Q1 compared to the same period in 2016.

Circulation revenues were boosted by an underlying positive volume development, in both pure digital subscriptions and in print/digital bundle.

Print revenues decreased 3 percent in Q1. Digital advertising had a tough first quarter and revenues were down 25 percent compared to Q1 last year.

SvD's EBITDA in Q1 was SEK 11 million compared to SEK 17 million in Q1 last year. Operating expenses were down 1 percent in the quarter.

Schibsted Growth Sweden

Schibsted Growth consists of a portfolio of web-based growth companies. These companies benefit from the strong traffic positions and brands of Schibsted's established operations in Sweden.

Schibsted Growth (MSEK)	First quarter		Year 2016
	2017	2016	
Operating revenues	317	263	1,150
EBITDA	66	52	279
EBITDA margin	21 %	20 %	24 %

Total reported revenue growth was 21 percent in Q1 2017.

EBITDA margin of 21 percent (20%), and total EBITDA was up SEK 14 million to SEK 66 million in Q1.

The personal finance services, particularly Lendo, is an important driver of the revenues and EBITDA growth. The growth rate of Lendo.se was 35 percent compared to Q1 2016. Revenues reached SEK 101 million, and the company had had healthy margin development.

PRODUCT AND TECHNOLOGY

Schibsted is investing significant resources in product and technology development as part of the Group's strategy.

There are five main areas of investments:

- New online classifieds platform
- New publishing platform
- Advertising technology, especially targeting solutions
- Payment solutions
- User identification

A common technological foundation across the Group will drive accelerated innovation through rapid experimentation and faster rollout of new products. Many products are initially soft launched on smaller sites to test the product viability and minimize risk. The products will be personalized through data-driven optimizations and tailored user experiences.

Schibsted's new advertising technology is based on a strategic partnership with Appnexus. It will include the platform for a highly scalable advertising network, which may be a viable alternative to other established players in the market. Schibsted sees the opportunity to include other online publishers in the network. This will create mutual benefits and improve the scale and efficiency of the advertising products.

GROUP OVERVIEW

PROFIT AND LOSS

OPERATING PROFIT

Group consolidated revenues increased 3 percent in Q1. Total consolidated online classifieds revenues (Norway, Sweden and International) grew by 11 percent in Q1 in NOK terms. Media house Norway revenues declined by 1 percent in Q1. Media House Sweden revenues declined by 5 percent in Q1 in NOK terms (increase of 2 percent in SEK). Consolidated operating expenses increased by 3 percent in Q1. The increased share of fully consolidated online classifieds investment spending, general growth in online classifieds, ramp-up of central product and tech and phasing of marketing spending in established operations negatively influences operating expense growth. There is continuous work in the media houses to adapt the cost base to the structural changes in the advertising market. Within the online activities, costs are increasing as a result of product and technology development, sales and marketing. Depreciation and amortization increased as a result of increased technology development.

Share of profit (loss) of joint ventures and associates was NOK -58 million (-43 million), affected negatively by one-offs in joint ventures. Other income and expenses are disclosed in note 4 to the Condensed financial statements.

Operating profit in Q1 2017 amounted to NOK 228 million (231 million). Please also refer to notes to the Condensed consolidated financial statements.

NET PROFIT AND EARNINGS PER SHARE

Net financial items are disclosed in note 5 to the Condensed financial statements.

The underlying effective tax rate is stable around 30%. The effective tax rate is 80 percent in the first quarter of 2017 compared to 66 percent in the same period in 2016. The high effective tax rate is primarily related to losses for which no deferred tax benefit is recognized. Reduced net investment spend through increased monetization and reduced marketing spend may reduce future effective tax rates.

Earnings per share is NOK 0.13 compared to NOK 0.24.

UNDERLYING DEVELOPMENT

The currency adjusted revenue growth rate for the Group was 8 percent in Q1.

Total revenue growth for all three online classifieds segments combined, adjusted for currency effects and Joint Ventures and Associates was 17 percent in Q1.

Revenues for both media house segments combined, adjusted for currency effects was unchanged in Q1 compared to the same period in 2016.

Adjusted for currency, Group operating expenses grew 8 percent in Q1.

Consolidated EBITDA ex. Investment phase was NOK 669 million (635 million) in Q1 2017.

Group EBITDA margin ex. Investment phase was 17 percent (17%) in Q1.

OTHER MATERIAL EVENTS AS OF Q1 2017

SCHIBSTED SPAIN ACQUIRES HABITACLIA

On 16 January 2017, Schibsted Spain announced the acquisition of the real estate portal Habitacalia.com. With this movement, Schibsted Spain, owner of the Spanish real estate site Fotocasa.es, strengthens its leadership in the real estate classified ads sector. Fotocasa and Habitacalia will continue to operate autonomously, although processes will be established so that both brands can learn from the strengths of the other.

CASH FLOW AND CAPITAL FACTORS

CASH FLOW

Net cash flow from operating activities was NOK 159 million for the first quarter of 2017, compared to NOK 168 million for the first quarter of 2016.

Net cash outflows from investing activities was NOK 675 million for the first quarter of 2017, compared to NOK 166 million in the first quarter of 2016. The increase is primarily related to increased investments in subsidiaries.

Net cash outflows from financing activities was NOK 6 million for the first quarter of 2017, compared to NOK 251 million in the first quarter of 2016. The decrease is primarily related to decrease in net repayments of interest-bearing borrowings.

EQUITY AND DEBT

The carrying amount of the Group's assets increased by NOK 339 million to NOK 20,747 million during the first quarter of 2017. An increase in total assets from primarily business combinations and translation is partly offset by reduced cash and cash equivalents. The Group's net interest-bearing debt increased by NOK 516 million to NOK 1,590 million. The Group's equity ratio was 52% both at the end of the first quarter of 2017 and at the end of 2016.

Schibsted ASA repaid a bond of NOK 500 million in March. The loan was replaced by a new 7 year bond of NOK 500 million. These are the only changes in our loan portfolio during Q1.

OUTLOOK

ONLINE CLASSIFIEDS

Schibsted sees continued revenue growth potential and inherent operational leverage for its portfolio of developed online classifieds sites, on the back of the strong brand positions and traffic leadership in a range of markets and verticals. On a medium- to long-term horizon, the target for annual revenue growth remains at 15-20 percent.

Our leading French site Leboncoin.fr holds significant long-term potential. Based on the traffic leadership and the strength of the Leboncoin brand, there is room for increased market shares in verticals such as real estate, cars and jobs.

In Spain we will continue to work for increased market shares in the verticals driven by product development and market activity. The growth prospects for jobs and cars are positive. However, we still expect a competitive environment in real estate and a sluggish development for advertising.

Our strategy of building online classifieds traffic and brand leadership positions as well as new product rollouts will continue as long as it is considered to create long-term shareholder value. We will focus on developing new mobile services, including native apps that are expanding the online classifieds markets. Continued investments are planned in native apps, such as Shpock, in 2017. In other markets overall, increased monetization and reduced marketing spend imply reduced net investment spend. The positive trend in terms of profitability development in Brazil is expected to continue during 2017, and the aim is to reach profitability for OLX Brazil during 2017.

The investment level was high in Q1 2017 as a result of strong push in roll-out of Shpock early in the year. The effect of the investments have been good. Full year investments are expected to go down compared to 2016, and the investments are expected to go down sequentially quarter by quarter in 2017.

Note that the investments are affecting profit and loss, and that the impact is split between consolidated companies (EBITDA) and joint ventures and associates.

MEDIA HOUSES

The media houses in Schibsted will continue the transformation into world-class digital media houses based on strong editorial products. Schibsted is rolling out a new media platform that offers a user-first perspective and encompasses the entire newsroom production process. It is highly scalable across all media companies and allows publishers to leap into a digital-only newsroom.

Overall, the structural digital shift and the transformation process are expected to continue. Schibsted will remain focused on digital product development combined with cost adaptations, aimed at producing continued healthy cash flows and operating margins. However, if the current advertising market trends persist, further margin contraction is likely during the coming 12 months.

INVESTMENTS IN TECHNOLOGY AND ONLINE PRODUCT DEVELOPMENT

The build-up of Schibsted's global technology and product development resources is ongoing, and the aim is to facilitate the digital transformation and the strategy of forming identity-based ecosystems. Schibsted holds strong traffic positions and has great brands in Scandinavia covering a broad range of online services. We intend to use these strong national ecosystems as a basis for developing products that improve the ability to offer targeted advertising and personalized products for consumers within both online classifieds and news. The advertising technology, based on a strategic partnership with Appnexus, may be a viable alternative to other established players in the market, and represents an opportunity for new revenue sources, for

example in the fast-growing market for programmatic advertising.

The ramp-up and organizational change in product and technology will improve efficiency and reduce time-to-market for new services for online classifieds operations, media

houses and adjacent services. Investments in 2017 will increase somewhat compared to 2016, as previously communicated. In 2018, we will be able to take advantage of efficiency effects and reduce duplication of efforts within product & technology.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED INCOME STATEMENT

	First quarter		Year
	2017	2016	2016
Operating revenues	4,000	3,883	15,854
Raw materials and finished goods	(107)	(129)	(500)
Personnel expenses	(1,546)	(1,562)	(6,141)
Other operating expenses	(1,913)	(1,771)	(7,082)
Gross operating profit (loss)	434	421	2,131
Depreciation and amortisation	(145)	(123)	(529)
Share of profit (loss) of joint ventures and associates	(58)	(43)	(171)
Impairment loss	-	-	(80)
Other income and expenses	(3)	(24)	(114)
Operating profit (loss)	228	231	1,237
Net financial items	(12)	(12)	21
Profit (loss) before taxes	216	219	1,258
Taxes	(174)	(144)	(699)
Profit (loss)	43	75	559
Profit (loss) attributable to:			
Non-controlling interests	12	21	94
Owners of the parent	30	54	465
Earnings per share in NOK:			
Basic	0.13	0.24	2.05
Diluted	0.13	0.24	2.05
Basic - adjusted	0.15	0.29	2.70
Diluted - adjusted	0.15	0.29	2.69
Weighted average number of shares outstanding (1,000)	226,076	225,970	226,064
Weighted average number of shares outstanding - diluted (1,000)	226,276	226,191	226,315

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	First quarter		Year
	2017	2016	2016
Profit (loss)	43	75	559
Remeasurements of defined benefit pension liabilities	(7)	(5)	(15)
Income tax relating to remeasurements of defined benefit pension liabilities	2	1	4
Share of other comprehensive income of joint ventures and associates	-	5	5
Items not to be reclassified subsequently to profit or loss	(6)	1	(6)
Exchange differences on translating foreign operations	135	(201)	(583)
Hedges of net investments in foreign operations	(8)	34	68
Income tax relating to hedges of net investments in foreign operations	2	(8)	(17)
Share of other comprehensive income of joint ventures and associates	2	3	1
Items to be reclassified subsequently to profit or loss	132	(172)	(531)
Other comprehensive income	126	(171)	(537)
Comprehensive income	168	(96)	22
Comprehensive income attributable to:			
Non-controlling interests	13	16	76
Owners of the parent	156	(112)	(54)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 March		Year
	2017	2016	2016
Intangible assets	14,835	14,054	14,100
Investment property and property, plant and equipment	1,020	1,116	1,019
Investments in joint ventures and associates	929	942	954
Other non-current assets	352	315	353
Non-current assets	17,136	16,427	16,426
Trade receivables and other current assets	2,860	2,972	2,714
Cash and cash equivalents	751	1,624	1,268
Current assets	3,610	4,596	3,982
Total assets	20,747	21,023	20,408
Equity attributable to owners of the parent	10,394	10,676	10,235
Non-controlling interests	323	332	305
Equity	10,717	11,008	10,540
Non-current interest-bearing borrowings	2,313	1,856	1,814
Other non-current liabilities	2,450	2,500	2,447
Non-current liabilities	4,763	4,356	4,261
Current interest-bearing borrowings	28	557	528
Other current liabilities	5,240	5,102	5,079
Current liabilities	5,268	5,659	5,607
Total equity and liabilities	20,747	21,023	20,408

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	First quarter		Year
	2017	2016	2016
Profit (loss) before taxes	216	219	1,258
Depreciation, amortisation and impairment losses	145	123	609
Share of profit of joint ventures and associates, net of dividends received	58	43	199
Taxes paid	(178)	(179)	(577)
Sales losses (gains) non-current assets	-	(24)	(80)
Change in working capital	(81)	(14)	97
Net cash flow from operating activities	159	168	1,506
Development and purchase of intangible assets and property, plant and equipment	(198)	(153)	(698)
Acquisition of subsidiaries, net of cash acquired	(466)	(17)	(507)
Proceeds from sale of intangible assets and property, plant and equipment	4	3	11
Proceeds from sale of subsidiaries, net of cash sold	-	-	1
Net sale of (investment in) other shares	(12)	1	(69)
Net change in other investments	(2)	-	14
Net cash flow from investing activities	(675)	(166)	(1,248)
Net cash flow before financing activities	(516)	2	258
Net change in interest-bearing loans and borrowings	(8)	(256)	(313)
Change in ownership interests in subsidiaries	-	-	(70)
Net sale (purchase) of treasury shares	5	8	(5)
Dividends paid	(4)	(3)	(489)
Net cash flow from financing activities	(6)	(251)	(877)
Effects of exchange rate changes on cash and cash equivalents	4	(18)	(4)
Net increase (decrease) in cash and cash equivalents	(518)	(267)	(623)
Cash and cash equivalents at start of period	1,268	1,891	1,891
Cash and cash equivalents at end of period	751	1,624	1,268

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to owners of the parent	Non-controlling interests	Equity
First quarter 2017			
Equity at start of period	10,235	305	10,540
Comprehensive income	156	13	168
Transactions with the owners	3	5	8
<i>Share-based payment</i>	5	-	5
<i>Dividends to non-controlling interests</i>	-	(4)	(4)
<i>Change in treasury shares</i>	5	-	5
<i>Changes in ownership of subsidiaries that do not result in a loss of control</i>	(7)	9	2
Equity at end of period	10,394	323	10,717
First quarter 2016			
Equity at start of period	10,776	314	11,090
Comprehensive income	(112)	16	(96)
Transactions with the owners	12	2	14
<i>Share-based payment</i>	12	-	12
<i>Dividends to non-controlling interests</i>	-	(3)	(3)
<i>Change in treasury shares</i>	8	-	8
<i>Business combinations</i>	-	1	1
<i>Changes in ownership of subsidiaries that do not result in a loss of control</i>	(8)	4	(4)
Equity at end of period	10,676	332	11,008
Year 2016			
Equity at start of period	10,776	314	11,090
Comprehensive income	(54)	76	22
Transactions with the owners	(487)	(85)	(572)
<i>Share-based payment</i>	42	-	42
<i>Dividends paid to owners of the parent</i>	(396)	-	(396)
<i>Dividends to non-controlling interests</i>	11	(93)	(82)
<i>Change in treasury shares</i>	(5)	-	(5)
<i>Business combinations</i>	-	9	9
<i>Loss of control of subsidiaries</i>	-	(1)	(1)
<i>Changes in ownership of subsidiaries that do not result in a loss of control</i>	(139)	-	(139)
Equity at end of period	10,235	305	10,540

NOTES

NOTE 1 GENERAL INFORMATION

The condensed consolidated interim financial statements comprise the Group and the Group's interests in joint ventures and associates. The interim financial statements have been prepared in compliance with IAS 34 Interim Financial Reporting.

The accounting policies adopted in preparing these interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2016.

The interim financial statements are unaudited. All numbers are in NOK million unless otherwise stated. Tables may not summarize due to roundings.

NOTE 2 CHANGES IN THE COMPOSITION OF THE GROUP

In the first quarter of 2017, Schibsted has invested NOK 466 million related to acquisition of businesses (business combinations). The amount comprises cash consideration transferred reduced by cash and cash equivalents of the acquiree. Net assets of NOK 488 million has preliminarily been recognised, primarily as goodwill and other intangible assets.

In January 2017, Schibsted acquired the real estate portal Habitacalia.com through the acquisition of 100% of the shares of Habitacalia, S.L.U and Inmofusion, S.L.U. Schibsted Spain, owner of the Spanish real estate site Fotocasa.es thereby strengthen its leadership in the real estate classified ads segment. Habitacalia.com is included in the operating segment Online Classifieds International.

In April 2017, Schibsted increased its effective ownership interest in the subsidiary Finn Eiendom AS from 79.8% to 90.0%. In May 2017, Schibsted announced the discontinuation of the operations and the sale of certain assets of the online classifieds site Kapaza.be in Belgium.

In May 2017, Schibsted entered into an agreement to increase its ownership interests in the companies operating the Brazilian and Chilean online classifieds sites OLX.com.br and Yapo.cl from 25% to 50% and 50% to 100%, respectively, by taking over Telenor's ownership interests in those operations. At the same time, Schibsted agreed to sell its 33.3% ownership interest in 701 Search, a company operating online classifieds operations in Malaysia, Vietnam and Myanmar, to Telenor.

NOTE 3 OPERATING SEGMENT DISCLOSURES

Schibsted reports five operating segments; Online Classifieds (Norway, Sweden and International) and Media Houses (Norway and Sweden). For information about the segments, see note 6 to the Annual consolidated financial statements.

Gross operating profit (loss) excl. Investment phase excludes operations in growth phase with large investments in market positions, immature monetization rate and where sustainable profitability has not been reached.

Information about operating revenues and profit (loss) by operating segment:

	Online Classifieds			Media Houses		Other /		
First quarter 2017	Norway	Sweden	International	Norway	Sweden	Headquarters	Eliminations	Total
Operating revenues from external customers	452	234	1,104	1,270	915	24	-	4,000
Operating revenues from other segments	10	8	17	44	43	99	(221)	-
Operating revenues	463	242	1,121	1,314	958	123	(221)	4,000
Gross operating profit (loss) excl. Investment phase	173	119	368	119	101	(212)	-	669
Gross operating profit (loss)	158	107	161	119	101	(213)	-	434
Operating profit (loss)	146	102	59	80	83	(241)	-	228
First quarter 2016								
Operating revenues from external customers	378	252	957	1,289	984	23	-	3,883
Operating revenues from other segments	13	5	37	41	29	81	(206)	-
Operating revenues	391	257	994	1,330	1,013	104	(206)	3,883
Gross operating profit (loss) excl. Investment phase	149	133	357	45	86	(136)	-	635
Gross operating profit (loss)	146	130	159	45	86	(145)	-	421
Operating profit (loss)	138	128	70	(23)	64	(146)	-	231
Year 2016								
Operating revenues from external customers	1,587	1,021	3,972	5,222	3,968	84	-	15,854
Operating revenues from other segments	63	31	113	171	177	301	(856)	-
Operating revenues	1,650	1,052	4,085	5,393	4,145	385	(856)	15,854
Gross operating profit (loss) excl. Investment phase	670	577	1,403	439	507	(692)	-	2,904
Gross operating profit (loss)	658	547	692	439	507	(712)	-	2,131
Operating profit (loss)	671	526	379	165	348	(852)	-	1,237

NOTE 4 OTHER INCOME AND EXPENSES

	First quarter		Year
	2017	2016	2016
Restructuring costs	-	(47)	(189)
Gain (loss) on sale of subsidiaries, joint ventures and associates	-	24	39
Gain (loss) on amendment of pension plans	-	-	57
Acquisition-related costs	(3)	-	(19)
Other	-	(1)	(2)
Total other income and expenses	(3)	(24)	(114)

NOTE 5 NET FINANCIAL ITEMS

	First quarter		Year
	2017	2016	2016
Net interest income (expenses)	(13)	(16)	(73)
Net foreign exchange gain (loss)	6	7	64
Net other financial income (expenses)	(5)	(3)	30
Net financial items	(12)	(12)	21

DEFINITIONS AND RECONCILIATIONS

This section includes definitions and reconciliations of financial measures presented in this report. These financial measures are included as they provide information of our financial performance in addition to the financial statements presented in accordance with IFRS.

EBITDA

Gross operating profit (loss)

EBITDA margin

Gross operating profit (loss) / Operating revenues

Revenues and operating expenses adjusted for currency fluctuations

Growth rates adjusted for currency effects are calculated using the same foreign exchange rates for the period last year and this year.

Currency rates used when converting profit or loss	First quarter		Year
	2017	2016	2016
Swedish krona (SEK)	0.9453	1.0213	0.9823
Euro (EUR)	8.9859	9.5256	9.2927

Online classifieds operations - Developed phase and Investment phase

Online classifieds - Developed phase

Subsidiaries

Norway: Finn and MittAnbud
 Sweden: Blocket, Servicefinder and Bytbil
 France: Leboncoin and MB Diffusion
 Spain: mainly Coches, FotoCasa, Vibbo, Milanuncios, InfoJobs, Habitacalia
 Italy: Subito
 Ireland: Daft, Done Deal and Adverts
 Hungary: Hasznaltauto
 Colombia: Fincaraiz

Joint ventures and associates

Malaysia: Mudah
 Austria: Willhaben

Online classifieds - Investment phase

Subsidiaries

Finland: Tori
 Hungary: Jofogas
 Italy: Infojobs
 Brazil: Infojobs
 Mexico: Segundamano
 Belgium: Kapaza
 Belarus: Kufar
 Tunisia: Tayara
 Morocco: Avito
 Dominican Republic: Corotos
 Portugal: Custo Justo
 Shpock in all markets: Austria, Germany, United Kingdom, Norway, Sweden and Italy
 Price comparison and personal finance marketplaces in early stage in certain markets are included here

Joint ventures and associates

Chile: Yapo
 Brazil: OLX
 Vietnam: Cho Tot
 Indonesia: OLX
 Thailand: Kaidee
 Bangladesh: Ekhanai

Online classifieds operations in investment phase are defined as operations in growth phase with large investments in market positions, immature monetization rate and sustainable profitability has not been reached.

Reconciliation of EBITDA excl. Investment phase and gross operating profit in accordance with financial statements	First quarter		Year
	2017	2016	2016
EBITDA excl. Investment phase	669	635	2,904
EBITDA Investment phase Online Classifieds	(234)	(205)	(753)
EBITDA Investment phase Other	(1)	(9)	(20)
Gross operating profit (loss)	434	421	2,131

Reconciliation of Online classifieds pro forma information and Operating segments in accordance with financial statements (EUR million)	First quarter		Year
	2017	2016	2016
Online Classifieds operating revenues in Operating segments (in NOK)	1,825	1,642	6,787
Online Classifieds operating revenues in Operating segment disclosure	203.1	172.4	730.8
Operating revenues from joint ventures and associates	8.4	5.3	25.9
Operating revenues from other Online Classifieds companies	(0.2)	(0.2)	(1.4)
Eliminations	(4.3)	(5.6)	(22.1)
Pro forma operating revenues	207.1	171.9	733.2
Online Classifieds gross operating profit in Operating segments (in NOK)	427	435	1,897
Online Classifieds EBITDA in Operating segment disclosure	47.5	45.6	204.2
EBITDA from joint ventures and associates	(1.1)	(3.7)	(9.5)
EBITDA from other Online Classifieds companies	2.0	0.7	4.5
Pro forma EBITDA	48.3	42.6	199.2

Other Online Classifieds companies are companies not included in pro forma Online Classified, that mainly consist of holding companies and overhead within Online Classifieds International.

Online classifieds pro forma information - details (EUR million)	First quarter		Year
	2017	2016	2016
Norway	50.3	39.7	170.9
Sweden	26.1	26.4	110.0
France	61.6	51.1	214.0
Spain	32.0	26.8	110.7
Other	21.6	19.3	82.9
Developed phase	191.6	163.3	688.5
Investment phase	15.5	8.6	44.7
Pro forma operating revenues	207.1	171.9	733.2
Norway	19.3	15.6	72.1
Sweden	13.3	14.1	62.1
France	37.5	35.1	129.2
Spain	4.8	3.9	23.7
Other	1.6	(0.5)	5.7
Developed phase	76.4	68.2	292.8
Investment phase	(28.1)	(25.6)	(93.6)
Pro forma EBITDA	48.3	42.6	199.2

Developed phase (EUR million)	First quarter		Year
	2017	2016	2016
EBITDA subsidiaries	75.5	67.8	289.7
EBITDA joint ventures and associates	0.9	0.4	3.1
EBITDA	76.4	68.2	292.8

Investment phase (EUR million)	First quarter		Year
	2017	2016	2016
EBITDA subsidiaries	(26.1)	(21.5)	(81.0)
EBITDA joint ventures and associates	(2.0)	(4.1)	(12.6)
EBITDA	(28.1)	(25.6)	(93.6)

	First quarter		Year
<i>Underlying tax rate</i>	2017	2016	2016
Profit (loss) before taxes	216	219	1,258
Share of profit (loss) of joint ventures and associates	58	43	171
Other losses for which no deferred tax benefit is recognised	298	230	715
Gain on sale of subsidiaries, joint ventures and associates	-	(24)	(39)
Impairment losses (goodwill and associates)	-	-	31
"Adjusted" tax base	572	468	2,136
Taxes	174	144	699
Adjusted effective tax rate	30.4 %	30.8 %	32.7 %

	31 March		Year
<i>Liquidity reserve</i>	2017	2016	2016
Cash and cash equivalents	751	1,624	1,268
Unutilised drawing rights on credit facilities	3,897	4,001	3,862
Liquidity reserve	4,647	5,625	5,130

	31 March		Year
<i>Net interest-bearing debt</i>	2017	2016	2016
Non-current interest-bearing borrowings	2,313	1,856	1,814
Current interest-bearing borrowings	28	557	528
Cash and cash equivalents	(751)	(1,624)	(1,268)
Net interest-bearing debt	1,590	789	1,074

Equity ratio
Equity / Total assets

Earnings per share
Profit (loss) attributable to owners of the parent / Average number of shares outstanding

Diluted earnings per share
Profit (loss) attributable to owners of the parent / Average number of shares outstanding (diluted)

	First quarter		Year
<i>Earnings per share - adjusted</i>	2017	2016	2016
Profit (loss) attributable to owners of the parent	30	54	465
Other income and expenses	3	24	114
Impairment loss	-	-	80
Taxes and Non-controlling interests related to Other income and expenses and Impairment loss	-	(12)	(49)
Profit (loss) attributable to owners of the parent - adjusted	33	66	610
Earnings per share – adjusted (NOK)	0.15	0.29	2.70
Diluted earnings per share – adjusted (NOK)	0.15	0.29	2.69

FINANCIAL KEY FIGURES

	First quarter		Year
	2017	2016	2016
Pro forma Online Classifieds			
Operating revenues Developed phase (EUR million)	191.6	163.3	688.5
EBITDA Developed phase (EUR million)	76.4	68.2	292.8
EBITDA margin Developed phase	40 %	42 %	43 %
EBITDA Investment phase (EUR million)	(28.1)	(25.6)	(93.6)
Operating revenues for operating segments			
Online Classifieds Norway	463	391	1,650
Online Classifieds Sweden	242	257	1,052
Online Classifieds International	1,121	994	4,085
Media House Norway	1,314	1,330	5,393
Media House Sweden	958	1,013	4,145
EBITDA Group			
EBITDA excl. Investment phase	669	635	2,904
EBITDA (gross operating profit (loss))	434	421	2,131
Operating margin			
EBITDA excl. Investment phase	17 %	17 %	19 %
EBITDA (gross operating profit (loss))	11 %	11 %	13 %
Operating margins operating segments (EBITDA)			
Online Classifieds Norway	34 %	37 %	40 %
Online Classifieds Sweden	44 %	51 %	52 %
Online Classifieds International	14 %	16 %	17 %
Media House Norway	9 %	3 %	8 %
Media House Sweden	11 %	8 %	12 %
Cash flow and capital factors			
Equity ratio	52 %	52 %	52 %
Interest-bearing borrowings	2,341	2,413	2,342
Net interest-bearing debt	1,590	789	1,074
Cash flow from operating activities	159	168	1,506
Cash flow from operating activities per share (NOK)	0.70	0.74	6.66
CAPEX	198	153	698

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Financial calendar

Q1 report 2017	12 May 2017
Annual General Meeting	12 May 2017
Q2 report 2017	18 July 2017
Q3 report 2017	3 November 2017

For information regarding conferences, roadshows etc., please visit www.schibsted.com/en/ir/Financial-calendar/
