

5 May 2011

Company announcement no. 07-11

Interim Management Statement for Q1 2011 of North Media A/S

North Media A/S maintains revenue growth. EBIT for Q1 2011 is DKK 31.5 million. Extraordinary dividend of DKK 14 per share, or DKK 280 million, to be distributed.

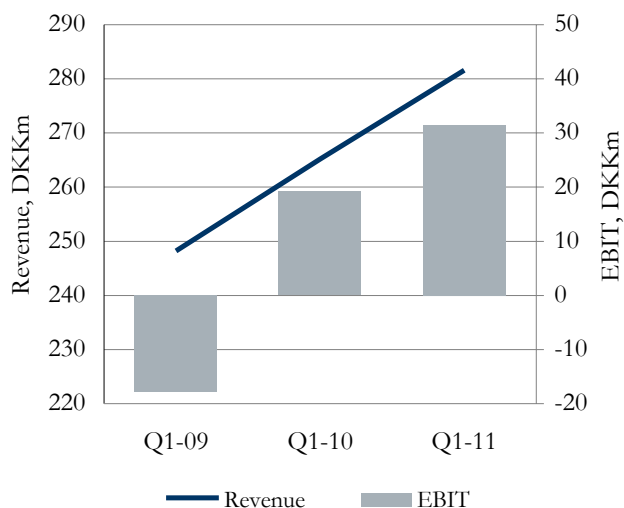
- The Group's revenue for Q1 2011 comes to DKK 281.6 million, an increase of 6% compared to Q1 2010. This increase in revenue is attributable to the Print segment with particularly distributing activities continuing to develop positively.
- EBIT is DKK 31.5 million for Q1 2011 against DKK 19.2 million for Q1 2010, corresponding to an increase of DKK 12.3 million. Overall, this performance is considered satisfactory given the current market situation, and it represents an 11.2% profit margin for Q1 2011 compared to 7.2% for Q1 2010.
- Most of the earnings increase has been realised through printing activities with EBIT for Q1 2011 coming to DKK 41.0 million, an improvement of DKK 9.1 million on Q1 2010. The earnings increase is attributable to increasing sales and continued cost awareness.
- Online activities remain negatively influenced by the weak job advertisement market. In Q1 2011, revenue was lower than in Q1 2010. The operating loss has improved by DKK 2.8 million, coming to DKK 9.9 million for Q1 2011.
- As stated in Company announcement no. 04-11 of 10 March 2011, the remaining 33.3% of shares in GISAB has been sold, and the final selling price of SEK 255.5 million (approx DKK 203 million) was paid on this date.
- Today the Board of Directors decided to distribute extraordinary dividend of DKK 14.00 per share, corresponding to total dividend of DKK 280 million. The last trading day for shares with the right to receive this dividend is today, 5 May 2011. The distribution of dividend is planned for 11 May 2011.
- At 31 March 2011, the Group holds cash and Danish government bonds worth DKK 328.5 million as well as securities worth DKK 43.9 million. Mortgage debt comes to DKK 87.1 million.
- The Group's net cash position including securities totalled a DKK 285.3 million at 31 March 2011. At 31 December 2010, such net cash position came to a DKK 57.7 million.
- In the early months of 2011, the Company focused on examining the business models of loss-making activities in particular and on market prospects. Based on this, the Company decided to discontinue lokaliala.dk.

Outlook for FY 2011

- Expectations for the Group's revenue are maintained at DKK 1,175 to 1,225 million.
- EBIT expectations for the Group remain at DKK 120 to 150 million.

Please contact Lars Nymann Andersen, CEO, or Kåre Wigh, CFO, at +45 39 57 70 00 for further information.

GROUP



The North Media Group maintains earnings increase for Q1 2011. EBIT for Q1 2011 comes to DKK 31.5 million, up by DKK 12.3 million on Q1 2010 and by DKK 49.3 million on Q1 2009.

The printing activities increased revenue by DKK 19.0 million and EBIT by DKK 9.1 million, maintaining the positive developments in revenue and performance as seen in recent years. This has resulted in the profit margin going up from 13.0% in 2010 to 15.5% in 2011.

Revenue generated by online activities has decreased by DKK 2.6 million, which is mainly due to the reduction in job-related activities, Ofir and MatchWork. The financial performance has improved by DKK 2.8 million as a result of cost reductions made for Søndagsavisen.dk and discontinued lokalia.dk.

As stated in Company announcement no. 04-11 of 10 March 2011, the remaining 33.3% of shares in GISAB has been sold and the selling price was paid on this date.

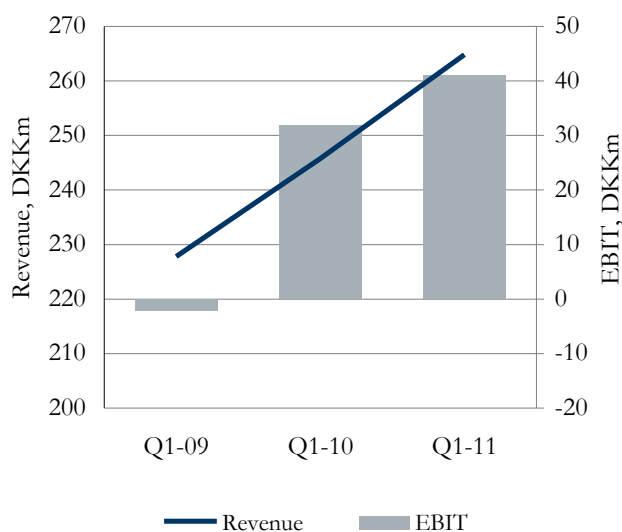
The Board of Directors has decided to distribute extraordinary dividend of DKK 14.00 per share, corresponding to total dividend of DKK 280 million. The last trading day for shares with the right to receive this dividend is today, 5 May 2011. The distribution of dividend is planned for 11 May 2011.

Cash

At 31 March 2011, the Group holds cash and Danish government bonds worth DKK 328.5 million as well as securities worth DKK 43.9 million. Mortgage debt including the amount of interest rate swaps comes to DKK 87.1 million.

The Group's net cash position including securities totalled a DKK 285.3 million at 31 March 2011. At 31 December 2010, such net cash position came to a DKK 57.7 million.

PRINT



Print – Improvement of performance continues as a result of increased distribution sales and positive development in the newspaper advertisement sales

The Group's Print segment consists of the distribution activities for FK Distribution, Bekey as well as the newspapers of Søndagsavisen, Helsingør Dagblad and Lokalavisen Nordsjælland.

The positive developments in revenue and financial performance continued in Q1 2011. Revenue increased by DKK 19.0 million to DKK 264.8 million, corresponding to growth of 8%. Earnings went up by DKK 9.1 million to DKK 41.0 million. This earnings increase is primarily due to higher revenue and continued cost awareness.

2011 started off well for FK Distribution, realising higher revenue than in 2010 – making FK Distribution the primary driving force in the earnings improvement of the Print segment. The Company has managed to conclude a number of minor agreements with customers from new sectors, and several of the existing customers have decided to increase their volumes. Packaging and distribution costs continue to develop satisfactorily.

In Q1 2011, Søndagsavisen saw 20% in revenue growth in non-job advertisements compared to Q1 2010.

Continuous efforts are made to increase the quality of Søndagsavisen and to improve the efficiency of advertisement sales, for instance, by making IT tools available to customers to enable them to place ads themselves.

The newspapers of Helsingør Dagblad and Nordsjællands Avis keep up their positive development. The increase in the number of Helsingør Dagblad subscribers as well as in advertisement income continued.

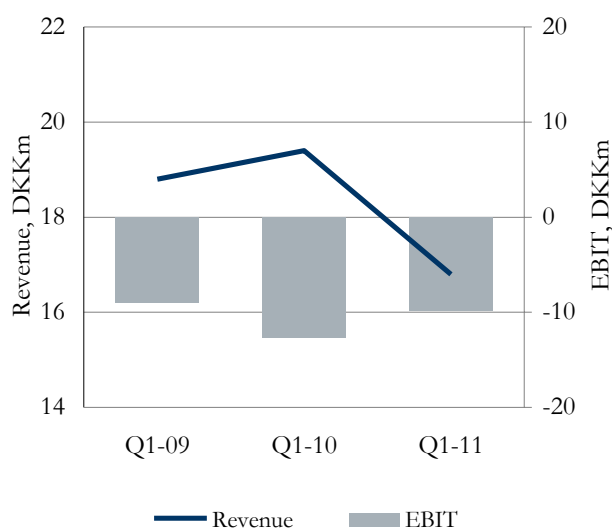
Online – Unchanged job market at a stable but albeit very low level

The Group's Online segment consists of Ofir.dk, MatchWork.com, Søndagsavisen.dk, BoligPortal.dk, MinReklame.dk as well as Væksthuset, including BostadsPortal.se.

For Q1 2011, revenue from the Online segment was DKK 16.8 million, which is DKK 2.6 million down on the same period last year. Revenue remains negatively influenced by the weak job advertisement market.

EBIT from the Online segment comes to a negative DKK 9.9 million for Q1 2011, and this is DKK 2.8 million down on Q1 2010.

ONLINE



The results produced by the Online segment are as anticipated. In Q1 2011, results were positively influenced by the efficiency measures taken in 2010. For the rest of 2011, resources freed up will be allocated to further product improvement and marketing, particularly regarding Ofir.

MatchWork still sees unsatisfactory earnings resulting from fierce competition and low market growth.

Søndagsavisen.dk has struck a balance in terms of earnings, and Lokalia.dk has been closed down as the business perspectives were considered unfavourable.

MinReklame still sees increasing user numbers, and the launch of the iPhone application has proven successful.

BoligPortal.dk is still experiencing satisfactory growth in sales and earnings.

Væksthuset, the primary activity of which at present is to develop the BostadsPortal.se site, continues its efforts to create a market place for housing advertisements in the Swedish market.

Unallocated costs

Unallocated costs include group-related activities which are not allocated to the operating activities of the Print and Online segments as well as operation of the Group's properties.

The operating profit within unallocated costs is DKK 0.4 million for Q1 2011, which is DKK 0.4 million up on last year.

Discontinued operations

In Q1 2011, costs totalling DKK 0.6 million were incurred for discontinued operations, primarily for the operation and maintenance of buildings. The disassembling of the printing machinery in Elsinore was finalised at the end of April.

The Group still believes that the property is sellable at a price corresponding to the carrying amount.

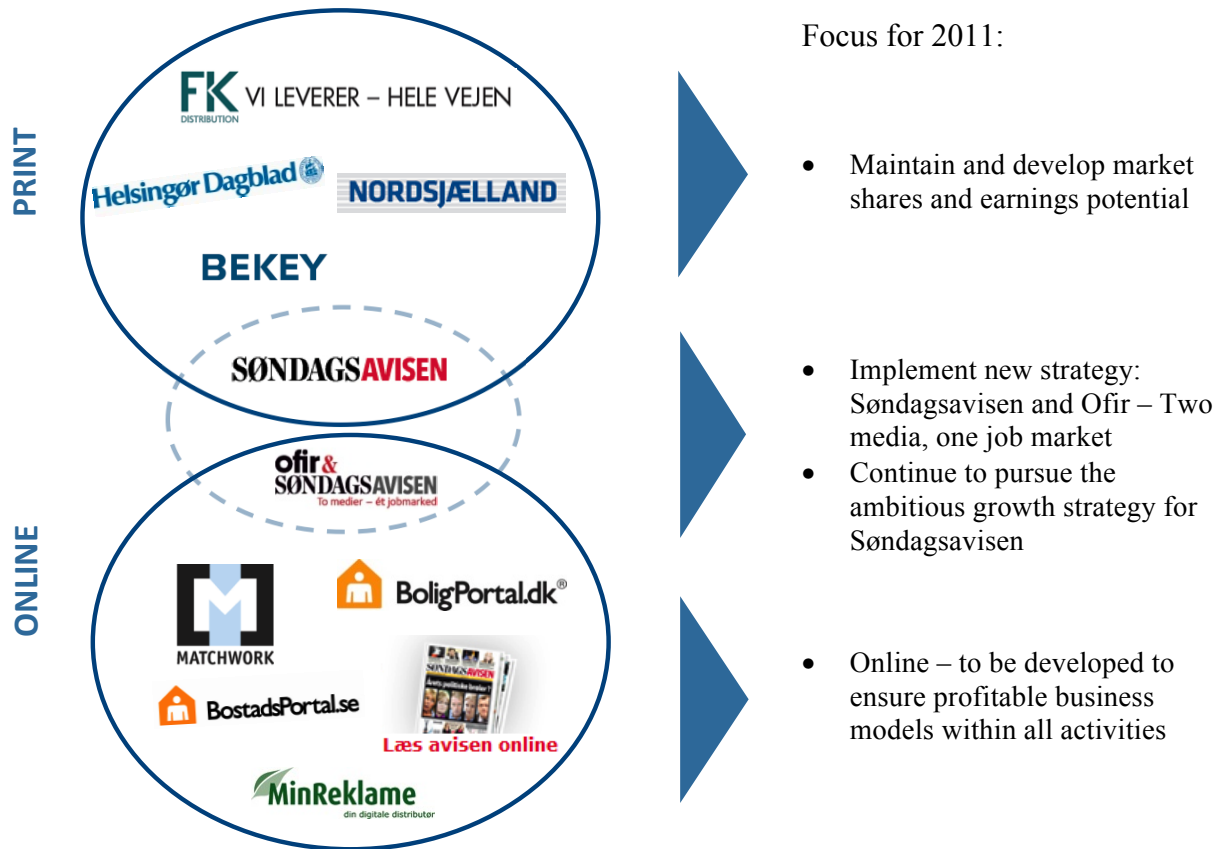
Revenue and operating profit (EBIT) by segment

DKK'm	Revenue							Year 2010
	Q1 YTD		Q1	Q4	Q3	Q2	Q1	
	2011	2010	2011	2010	2010	2010	2010	
Print	264.8	245.8	264.8	301.6	249.0	273.1	245.8	1,069.5
<i>Index compared to the same period of last year</i>	<i>107.7</i>	<i>107.9</i>	<i>107.7</i>	<i>118.1</i>	<i>109.7</i>	<i>110.4</i>	<i>107.9</i>	<i>111.7</i>
Online	16.8	19.4	16.8	15.7	16.4	17.7	19.4	69.2
<i>Index compared to the same period of last year</i>	<i>86.6</i>	<i>103.2</i>	<i>86.6</i>	<i>98.7</i>	<i>92.7</i>	<i>93.7</i>	<i>103.2</i>	<i>97.1</i>
Group revenue	281.6	265.2	281.6	317.3	265.4	290.8	265.2	1,138.7
<i>Index compared to the same period of last year</i>	<i>106.2</i>	<i>107.5</i>	<i>106.2</i>	<i>117.0</i>	<i>108.5</i>	<i>109.2</i>	<i>107.5</i>	<i>110.7</i>

DKK'm	EBIT before special items							Year 2010
	Q1 YTD		Q1	Q4	Q3	Q2	Q1	
	2011	2010	2011	2010	2010	2010	2010	
Print	41.0	31.9	41.0	63.0	29.1	46.2	31.9	170.2
<i>Profit margin</i>	<i>15.5%</i>	<i>13.0%</i>	<i>15.5%</i>	<i>20.9%</i>	<i>11.7%</i>	<i>16.9%</i>	<i>13.0%</i>	<i>15.9%</i>
Online	-9.9	-12.7	-9.9	-11.2	-11.6	-14.2	-12.7	-49.7
<i>Profit margin</i>	<i>-58.9%</i>	<i>-65.5%</i>	<i>-58.9%</i>	<i>-71.3%</i>	<i>-70.7%</i>	<i>-80.2%</i>	<i>-65.5%</i>	<i>-71.8%</i>
Un-allocated costs	0.4	0.0	0.4	-10.3	1.0	-1.0	0.0	-10.3
Group EBIT, continuing operations	31.5	19.2	31.5	41.5	18.5	31.0	19.2	110.2
<i>Profit margin</i>	<i>11.2%</i>	<i>7.2%</i>	<i>11.2%</i>	<i>13.1%</i>	<i>7.0%</i>	<i>10.7%</i>	<i>7.2%</i>	<i>9.7%</i>
Discontinuing operations, printing	-0.6	-0.7	-0.6	0.0	-0.8	-0.6	-0.7	-2.1
Group EBIT	30.9	18.5	30.9	41.5	17.7	30.4	18.5	108.1

Focus for 2011

As stated in the Annual Report for 2010, the intention is for 2011 to be the year when the numerous ongoing initiatives within the newspaper and online business result in much improved and innovative products, forming the basis of future revenue growth and improved earnings.



PRINT

FK Distribution is the Group's largest and most profitable business. It is also one of the most well-managed distribution businesses in Europe. Based on years of experience and broad competencies, FK Distribution takes on extremely complicated logistical and distribution tasks. FK Distribution is a profitable business due to recent years' measures taken to streamline and automate business processes, having resulted in very high productivity and utilisation of equipment.

The strategy is in place and focus is on safeguarding the existing market share while focusing on sales to new segments that have not previously made use of the most effective advertising medium, namely door-to-door distributed printed matter. Also, the objective is to maintain the high level of customer satisfaction by continuously ensuring a high quality level for the distribution of weekly advertising material. For example, this is done by rolling out the electronic key system, BeKey, which will facilitate the access of all paper boys/girls and men/women to apartment buildings that are locked, and it may help to further increase the quality level and enhance efficiency.

In the past three years, Søndagsavisen has undergone considerable changes due to a significant drop in the market for particularly printed job advertisements. In addition to an improved journalistic content, which has resulted in more readers, the sales efforts were intensified as regards advertisements by regional retailers whose advertising requirements cannot be met through traditional news weeklies.

The very positive developments in the sale of advertisements have confirmed the Group's belief that the newspaper is a powerful medium. The initiatives taken are expected to make the newspaper profitable at group level within two years, when including FK Distribution's earnings from the distribution of

Søndagsavisen. Despite positive developments, Søndagsavisen is still expected to produce unsatisfactory results for 2011.

The entire Print segment is expected to perform better in 2011 than in 2010.

ONLINE

In aggregate, the results of the Online segment are estimated to be on a par with those realised for 2010 as savings made are invested in the development of products and the marketing of the new Ofir strategy.

The operating loss on the online activities mainly results from the job-related activities of Ofir and MatchWork as well as the development of Bostadsportal.se. The Group's other online activities produce break-even results or profits.

The objective for Ofir is to implement the new strategy: "Søndagsavisen and Ofir – Two media, one job market".

Printed and online job advertisements complement each other well as the online media particularly attract active job seekers, whereas printed job advertisements attract passive job seekers, meaning those who are not actually looking for a job, but who are tempted to apply for a new job when reading an interesting job advertisement.

One of the ideas behind the new Ofir site is also to offer businesses and other customers a unique self-service platform and technology, which form the basis of a recruiting process involving the least amount of work possible for the employer, the job seeker and Ofir, and which also enhances the advertising efficiency through, for example, a number of partnerships.

As a result of intensified marketing efforts in 2011, Ofir is expected to perform poorer than in 2010.

As for Lokalia.dk, the past few months were spent examining whether it would be possible to develop the concept into a sustainable business model in the long term. The conclusion is negative. Therefore, the project was discontinued at the end of March.

Since 2008, MatchWork has been producing unsatisfactory results and efforts are presently made to revise the business model. The results for 2011 are expected to be on a par with 2010 results, which were unsatisfactory.

Outlook for FY 2011

Expectations for the Group's revenue are maintained at DKK 1,175 to 1,225 million, representing growth of 3 to 8% compared to 2010.

The Group's EBIT is expected to be in the range of DKK 120 to 150 million, corresponding to a profit margin of approx 11%. In 2010, EBIT before special items came to DKK 110.2 million and the profit margin was 9.7%.

Yours faithfully

North Media A/S

Please contact Lars Nymann Andersen, CEO, or Kåre Wigh, CFO, at +45 39 57 70 00 for further information.

This document is an unofficial translation of the Danish original. In the event of any inconsistencies the Danish version shall apply.