



## PRESS RELEASE

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### MEETING OF AFP BOARD OF DIRECTORS ON 20 DECEMBER: ADOPTION OF THE 2017 BUDGET AND APPROVAL OF A REVITALISATION AND BUSINESS DEVELOPMENT PLAN FOR 2017-2021

AT THE 20 DECEMBER 2016 MEETING OF AFP'S BOARD OF DIRECTORS, CHAIRMAN AND CEO EMMANUEL HOOG PRESENTED A BUSINESS DEVELOPMENT PLAN FOCUSING ON TWO PRIORITIES : VIDEO AND CORPORATE. AFP WILL ALSO BUILD UP ITS RANGE OF LIVE PRODUCTS IN LINE WITH ITS OBJECTIVE OF BEING, NOW MORE THAN EVER, THE REAL TIME NEWS AGENCY.

The Board of Directors approved AFP's **2017 budget**. Business prospects indicate a nearly 1% increase of the Agency's revenues over 2016 forecasts (excluding resources from the French government), which represents a return to 2015 levels despite the generally unfavourable economic context.

This performance is made possible by video, which is continuing its trajectory of 17% annual growth begun in 2010, as well as by corporate sales (including sport) which the Agency expects to grow by 15 % in 2017.

At the same time, the French government has increased AFP's subsidy by 5 M€ over the amount granted in the 2016 finance act. The government thus reaffirms its support for AFP in 2017 and confirms the strategic and priority character of the missions of general interest devolved upon AFP while complying with European regulations.

With a 1% rise, operating costs will remain very contained. Allocation of resources will prioritise the strategic development initiatives, above all video and sport. AFP will also pursue its efforts on the management side, reorganising the information systems, sales, administrative and financial departments to strengthen their management and increase efficiency.

The 2017 budget presents a forecast operating margin of 15.1 M€ and a balanced net result.

In 2017, this budget will allow AFP to:

- Develop worldwide IP (internet) video transmission and improve satellite coverage;
- Complete the IRIS programme, the Agency's Multimedia production and editing tool;
- Set up a CRM (Customer Relationship Management) tool to give impetus to the 2017-2021 Revitalisation and Business Development Plan.

The growth of the Agency's revenues will be based on the implementation of a **business development plan**, whose broad outlines were unanimously approved by the Board of Directors. This plan's five objectives are to:

- **Attain a net increase of 1,000 clients between now and 2021** – with 15 % of this goal to be reached in 2017 – by intensifying sales action. The objective is to grow AFP's client portfolio, which currently consists of 4,827 clients worldwide, by 21% over the five-year period.
- **Become a leader in news video** by means of an aggressive prospecting strategy, developing its products including AFPTV Live and adapting its business offering to new digital players and mobile platforms. The Agency's ambition is to double its penetration by 2021.
- **Enrich its offerings and diversify its revenue sources** by simplifying business models and leveraging AFP products across all media. 20% of the Agency's revenues come from products that did not exist 15 years ago. The growth outlook for the corporate market is also strong: 300 of the



1,000 new clients will be from this sector, including 200 from the non-media digital market.

- **Develop the global licence** to support clients and meet the challenge posed by the transformation of the news market, which is confronted with the rise of social networks and the emergence of mobile as the preferred news access platform. AFP will progressively set up a global licence solution (text, photo, video, infographics, etc.) This formula will take into account overall content usage on traditional as well as digital platforms.
- **Secure AFP's growth** by reducing the relative weight of its top 50 clients while maintaining business volume in order to safeguard the Agency's development. Another aim will be to stabilise media market revenues by supporting clients in their transformation process and by providing them with short and medium term visibility of the overall cost of AFP's products and services.

*About AFP:*

AFP is a global news agency delivering fast, accurate, in-depth coverage of the events shaping our world from conflicts to politics, sports, entertainment and the latest breakthroughs in health, science and technology. With 2,300 staff spread across almost every country, AFP covers the world 24 hours a day in six languages. AFP delivers the news in video, text, photos, multimedia and graphics to a wide range of customers including newspapers and magazines, radio and TV channels, web sites and portals, mobile operators, corporate clients as well as public institutions.

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