

RTL Group with record results

- **Strong performance: full-year revenue exceed €6 billion for the first time, with EBITA also reaching record level**
- **Digital has become a significant growth driver: digital revenue up 72.2 per cent to €508 million**
- **Net profit up 21.0 per cent to €789 million**
- **High shareholder returns: total dividend of €4.00 per share for 2015**
- **Outlook 2016: revenue expected to grow moderately, EBITA broadly stable**

Luxembourg, 10 March 2016 – RTL Group, the leading European entertainment network, announces its audited results for the year ended 31 December 2015.

Record levels: revenue and EBITA reach new highs

- Reported Group revenue increased 3.8 per cent to €6,029 million (2014: €5,808 million), mainly driven by increasing revenue at Mediengruppe RTL Deutschland, growing digital revenue and favourable exchange rate effects
- RTL Group's revenue is well diversified with 53.7 per cent from broadcast advertising (TV and radio), 22.0 per cent from content, 8.4 per cent from digital activities, 4.1 per cent from platform revenue (€248 million) and 11.8 per cent other revenue
- Reported EBITA¹ also reached a new record level, up 2.0 per cent to €1,167 million (2014: €1,144 million). The increase is mainly due to a significantly higher EBITA contribution from Germany
- Reported EBITA margin was at 19.4 per cent (2014: 19.7 per cent)
- EBITDA² was slightly up by 1.0 per cent to €1,360 million (2014: €1,347 million)
- Net profit attributable to RTL Group shareholders increased strongly by 21.0 per cent to €789 million (2014: €652 million). 2014 was impacted by impairment of goodwill of subsidiaries for €88 million
- Net cash from operating activities was €983 million, resulting in an operating cash conversion of 87 per cent. Net financial debt was €670 million at the end of 2015 (2014: net financial debt of €599 million)

¹ EBITA represents earnings before interest and taxes excluding impairment of goodwill and of disposal group, and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries, impairment of investments accounted for using the equity method, re-measurement of earn-out arrangements, and gain or loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree

² EBITDA represents EBIT excluding amortisation and impairment of non-current programme and other rights, of goodwill and disposal group, of other intangible assets, depreciation and impairment of property, plant and equipment, impairment of investments accounted for using the equity method, re-measurement of earn-out arrangements, and gain or loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree

- In the fourth quarter of 2015, reported Group revenue was up 1.4 per cent at €1,888 million (Q4/2014: €1,862 million), while reported EBITA was down by 3.4 per cent to €451 million (Q4/2014: €467 million). This reflects significant positive one-off effects in the fourth quarter of 2014. On an adjusted basis, fourth quarter EBITA was up 4.1 per cent year-on-year
- RTL Group's Board of Directors has proposed a final ordinary dividend of €3.00 per share for the fiscal year 2015 (2014: ordinary dividend of €2.50 per share; extraordinary dividend of €1.00 per share). This proposal is a reflection of the Group's strong cash flows, future investment plans and its target net debt to full-year EBITDA ratio of 0.5 to 1.0 times. In addition, RTL Group already paid an extraordinary interim dividend of €1.00 per share for the fiscal year 2015 in September 2015
- Based on the average share price in 2015 (€82.2³), the total dividends for the fiscal year 2015 (€4.00 per share; 2014: €5.50 per share) represent a dividend yield of 4.9 per cent (2014: 6.8 per cent)

Segments: Mediengruppe RTL Deutschland with another record year

- Once again, Mediengruppe RTL Deutschland closed the year with a financial record: EBITA grew significantly by 5.2 per cent to €684 million (2014: €650 million), resulting in a best-in-class EBITA margin of 32.0 per cent (2014: 31.8 per cent). This improvement was mainly driven by higher TV advertising and diversification revenue
- Despite a strong performance in TV, Groupe M6's EBITA decreased to €205 million (2014: €209 million), mainly due to lower contribution from diversification activities (home-shopping operations, the football club Girondins de Bordeaux and others)
- In line with previous guidance, EBITA of FremantleMedia – RTL Group's content production arm – decreased to €103 million (2014: €113 million), reflecting the reduction in *American Idol* and increased investment in the creative pipeline
- RTL Nederland's EBITA was down 1.9 per cent to €101 million (2014: €103 million), reflecting start-up losses in video on demand, and the termination of the Sizz partnership with Vodafone in 2014
- At RTL Hungary, EBITA was up to €21 million (2014: loss of €1 million), driven by one-off effects such as the partial reversal of a stock valuation allowance and the reclaiming of the advertising tax paid in 2014

³ Frankfurt Stock Exchange

“Producing our own content and owning the rights to it will be one of the keys for further growth”

Joint statement from Anke Schäferkordt and Guillaume de Posch, Co-Chief Executive Officers of RTL Group:

“Despite a mixed picture in the global economy, 2015 was a record year for RTL Group: for the first time in the history of our Group, revenue exceeded €6 billion, with EBITA also reaching a new all-time high. Our biggest profit centre, Mediengruppe RTL Deutschland, grew significantly and generated another record profit – for the fourth consecutive year.

With our digital investments in North America – BroadbandTV, StyleHaul and SpotX – we’ve reached critical mass in online video within a very short period of time. This is also reflected in our strong set of financial results: with more than half a billion euros in revenue, digital has become a highly dynamic third pillar for RTL Group, in addition to our market-leading broadcasting and content production businesses.

The strong cash flows generated by our families of channels allow us to combine attractive dividend payments with further acquisitions to pursue our two main investments goals. The first is to further expand and develop our digital businesses where global scale in content aggregation and advertising technology becomes ever more important. The second goal is to further grow content production, because we’re certain that producing our own content and owning the rights to it will be one of the keys for further growth.

As part of this strategy, FremantleMedia is making sound progress to increase its creative diversity. As FremantleMedia is already one of the biggest independent production companies, their focus is on partnering with creative talent to develop new projects for FremantleMedia’s unrivalled international network. This trend will continue and see scripted entertainment taking a larger share of FremantleMedia’s total revenue.”

Digital has become a significant revenue growth driver

- RTL Group’s digital revenue⁴ continued to show strong growth, up 72.2 per cent to €508 million (2014: €295 million). Performance benefitted from organic growth and new acquisitions
- All of the three main businesses of the RTL Digital Hub – BroadbandTV, StyleHaul and SpotX – continued to show strong individual revenue growth. Year-on-year, BroadbandTV was up 102 per cent⁵, StyleHaul was up 87 per cent⁵, SpotX was up 56 per cent⁵

⁴ Excluding e-commerce, home shopping and platform revenue for digital TV

⁵ Pro-forma

- RTL Group continued to grow scale in online video in 2015:
 - RTL Group's catch-up TV services, websites and MCNs attracted a total 105 billion online video views⁶, almost tripled year-on-year (2014: 36.4 billion video views)
 - RTL Group currently generates around 11 billion online video views per month, up 87 per cent year-on-year (comparing January 2016 with January 2015)
- In June 2015, RTL Group formed the RTL Digital Hub to drive leadership and growth in the digital video market. The RTL Digital Hub team manages RTL Group's portfolio of digital acquisitions, provides support for their further international expansion, and scans the market for further investments in the online video space
- In April 2015, RTL Group led the most recent financing round for Clypd, a US-based platform for programmatic advertising sales on linear TV, and now holds a 17.4 per cent minority stake in the company (on a fully diluted basis)
- In April 2015, BroadbandTV announced the acquisition of YoBoHo, the world's leading digital-first kids content producer. A few months later BroadbandTV launched the HooplaKidz Network with the vision to build the leading kids and family entertainment digital ecosystem, including a strong distribution network, apps, merchandising, licensing and significant original content
- In November 2015, RTL Group led the most recent funding round for VideoAmp, a US-based platform for cross-screen data optimisation, and now holds a 21.5 per cent minority stake (on a fully diluted basis)
- On 1 March 2016, Mediengruppe RTL Deutschland bundled their catch-up services of the 'Now' family (RTL Now, Vox Now, RTL II Now, RTL Nitro Now, Super RTL Now and N-TV Now) in a new offer called TV Now

Additional investments in the creative pipeline

- In 2015, FremantleMedia made a series of eight investments, strengthening capabilities in the scripted, entertainment and factual genres. This included Wildside, Italy's leading high-end TV and feature film producer, and French scripted producers Fontaram and Kwai
- In June, the US premium cable channel Starz gave the green light to FremantleMedia North America's adaptation of Neil Gaiman's acclaimed contemporary fantasy novel *American Gods*
- In February 2015, FremantleMedia International (FMI) announced an agreement with AMC's Sundance TV that saw UFA Fiction's *Deutschland 83* become the first German-language series to air on a US channel. The title has now sold to 20 broadcasters and subscription video on demand (SVOD) platforms around the world

⁶ Consolidated view

Outlook

- The TV advertising markets in 2015 reflected the overall macro-economic situation in Europe. All European net TV advertising markets in RTL Group's territories were up or stable year-on-year. This picture is expected to be similar in 2016
- RTL Group currently expects its total full-year revenue to continue to grow moderately (2.5 per cent to 5.0 per cent), predominantly driven by the Group's digital businesses. EBITA for the full year 2016 is expected to be broadly stable (-1.0 per cent to +1.0 per cent). Both revenue and EBITA forecasts are based on current stable market conditions

Financial Review

In € million	2015	2014 ⁷	Per cent change
Revenue	6,029	5,808	+3.8
Reported EBITA	1,167	1,144	+2.0
Reported EBITA margin (per cent)	19.4	19.7	
EBITDA	1,360	1,347	+1.0
EBITDA margin (per cent)	22.6	23.2	
Reported EBITA	1,167	1,144	
Impairment of goodwill of subsidiaries, impairment of investments accounted for using the equity method and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	(6)	(100)	
Re-measurement of earn-out arrangements	10	2	
Gain from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	4	1	
EBIT	1,175	1,047	
Net financial expense	(12)	(27)	
Income tax expense	(300)	(287)	
Profit for the period	863	733	
<i>Attributable to:</i>			
<i>Non-controlling interests</i>	74	81	
RTL Group shareholders	789	652	+21.0
Reported EPS (in €)	5.14	4.25	

⁷ 2014 figures adjusted for changes in purchase price allocation



The document with the more detailed full-year results 2015 and slides from the presentation will be available to download at www.rtlgroup.com/results_fy2015

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About RTL Group

RTL Group is the leading European entertainment network, with interests in 57 television channels and 31 radio stations and content production throughout the world. The television portfolio of Europe's largest broadcaster includes RTL Television in Germany, M6 in France, the RTL channels in the Netherlands, Belgium, Luxembourg, Croatia, Hungary and Antena 3 in Spain. The Group also operates the channels RTL CBS Entertainment HD and RTL CBS Extreme HD in Southeast Asia. RTL Group's families of TV channels are either the number one or number two in eight European countries. The Group's flagship radio station is RTL in France, and it also owns or has interests in other stations in France, Germany, Belgium, the Netherlands, Spain and Luxembourg. RTL Group's content production arm, FremantleMedia, is one of the largest international creators, producers and distributors of multi-genre content outside the US. With operations in 29 countries, FremantleMedia's comprehensive global network is responsible for more than 10,000 hours of programming a year and distributes over 20,000 hours of content worldwide. Combining the catch-up TV services of its broadcasters, the multi-channel networks BroadbandTV, StyleHaul and Divimove as well as FremantleMedia's more than 215 YouTube channels, RTL Group has become the leading European media company in online video. RTL Group also owns a majority stake in the programmatic video advertising platform SpotX. For more information, please visit RTLGroup.com and follow RTL Group on Twitter @rtlgroup.