

Petercam
19 October 2011

The leading European entertainment network



Agenda

- **HY 2011 RESULTS**

- Business Review
- Strategy update

Up
EUR 90m

REVENUE
EUR 2.75 billion

Up
EUR 20m

REPORTED EBITA
continuing operations
EUR 557 million

EBITA MARGIN
20.2%

CASH CONVERSION
96%

Portfolio strengthened:
acquisition of minorities;
creation of new family of
channels; step into Asia

Strong audience shares
in major markets
**GERMANY, FRANCE,
NETHERLANDS**

NET CASH POSITION
EUR 973 million

NET RESULT
EUR 324 million

Up
26%

> Improved profitability against difficult comparatives

Agenda

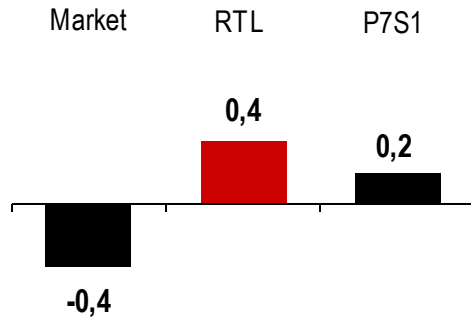
- HY 2011 results

- **BUSINESS REVIEW**

- Strategy update

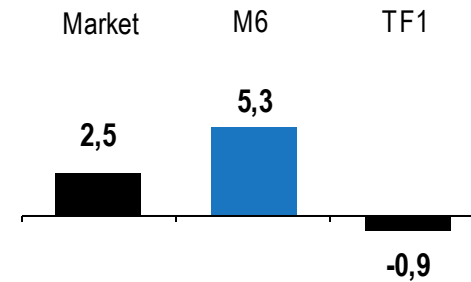
NET ADVERTISING MARKET DEVELOPMENT (in %)

HY 2011 vs 2010

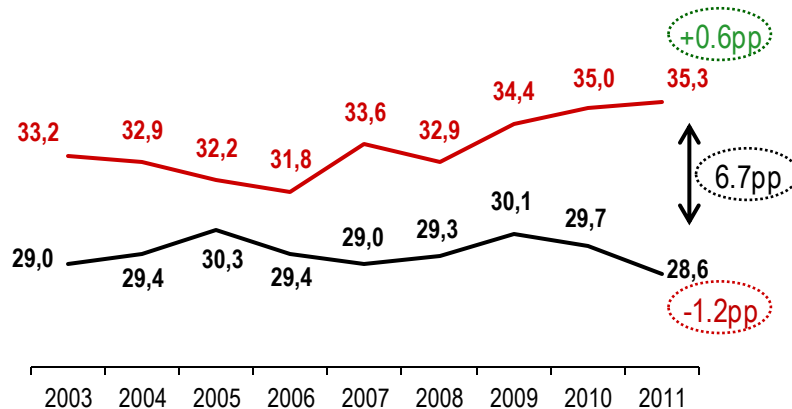


NET ADVERTISING MARKET DEVELOPMENT (in %)

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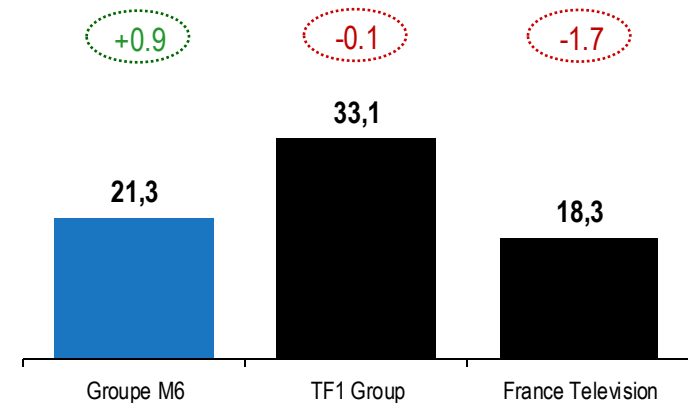


AUDIENCE SHARE 14-49 (in %)



AUDIENCE SHARE – FAMILY OF CHANNELS

HOUSEWIVES <50 ALL DAY (in %)



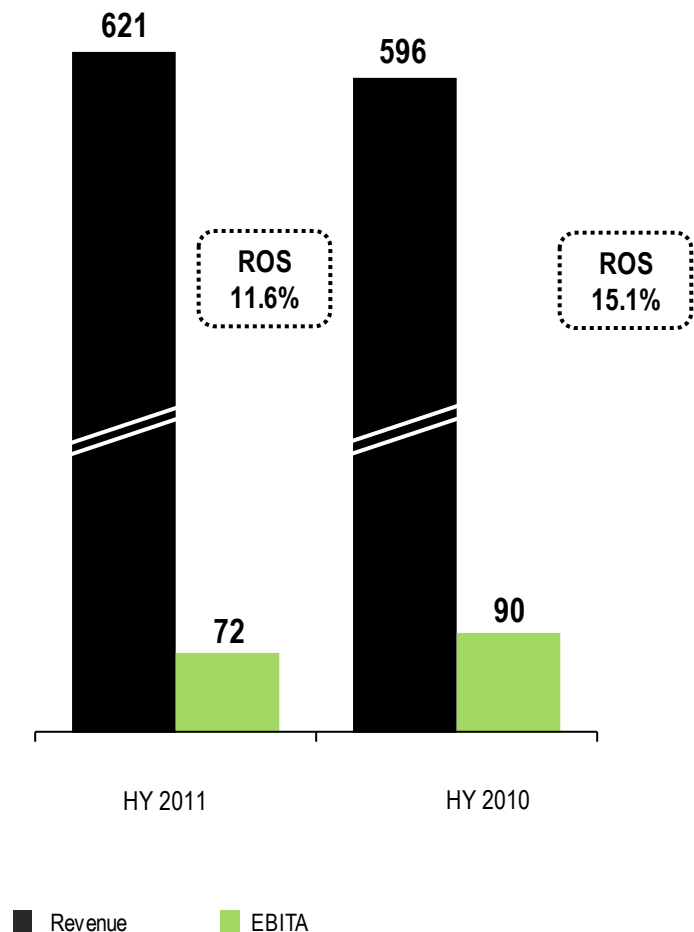
Source: RTL Group estimates, Nielsen, delta versus YTD September 2010

Source: RTL Group estimates, Médiamétrie, delta versus YTD September 2010
 Groupe M6 : M6 and W9; TF1 Group : TF1, TMC and NT1; France TV : Fr2-4

KEY FACTS 2011

- **Continues to produce the highest rated entertainment shows around the world**
 - In the US, season ten of American Idol was once again the most watched prime time entertainment series
 - In the UK, series five of Britain's Got Talent was the highest rated entertainment show so far this year
 - In Germany season eight of the local version of Idols was yet again a ratings success
 - In Australia the third series of Masterchef is the number one show to date on Network TEN
- **Growth in revenue driven by new acquisitions with EBITA margin suffering due to continued pressure on margins and difficult comparatives**

KEY FINANCIALS (in EUR million)



FremantleMedia is known for...



...but FremantleMedia also has a global expertise in other parts of the value chain

Drama



Sponsors hip Licensing



Live Event



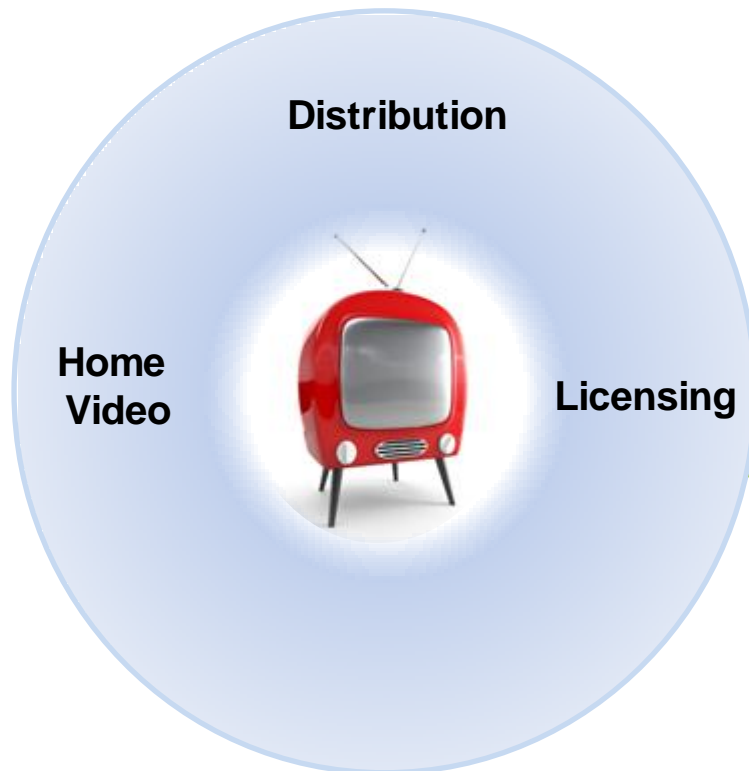
Online



Social Networks



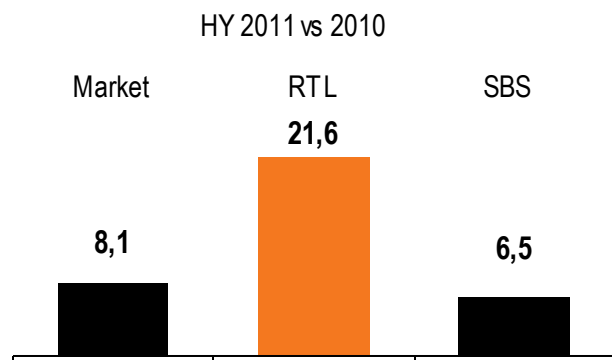
TV Production and Rights Company



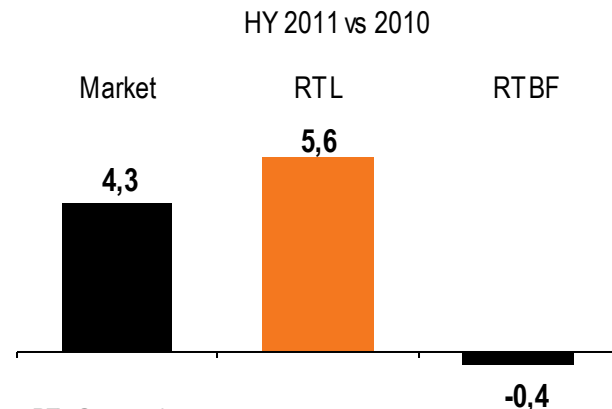
21st Century Entertainment Company



NET TV ADVERTISING MARKET DEVELOPMENT (in %)

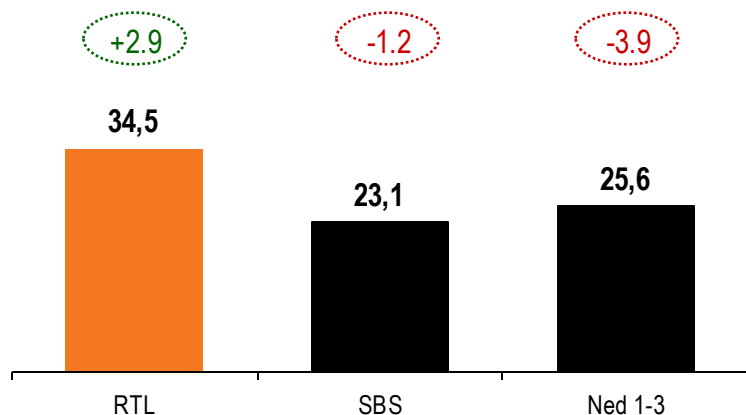


NET TV ADVERTISING MARKET DEVELOPMENT (in %)



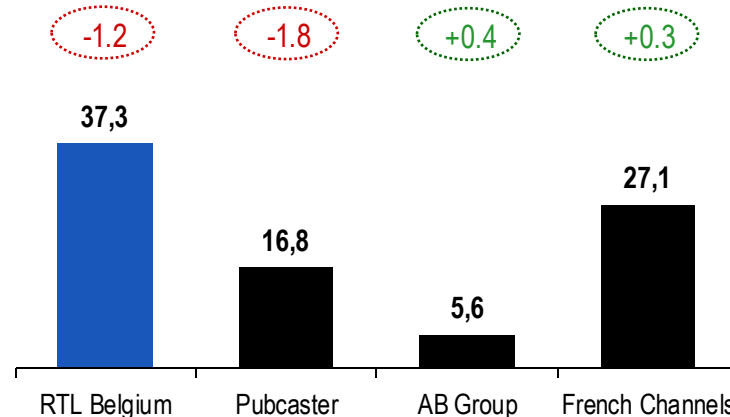
Source : RTL Group estimates

TV AUDIENCE SHARE – FAMILY OF CHANNELS



Source : RTL Group estimates, 20-49, PRIMETIME (in %) : delta versus YTD September 2010

TV AUDIENCE SHARE – FAMILY OF CHANNELS



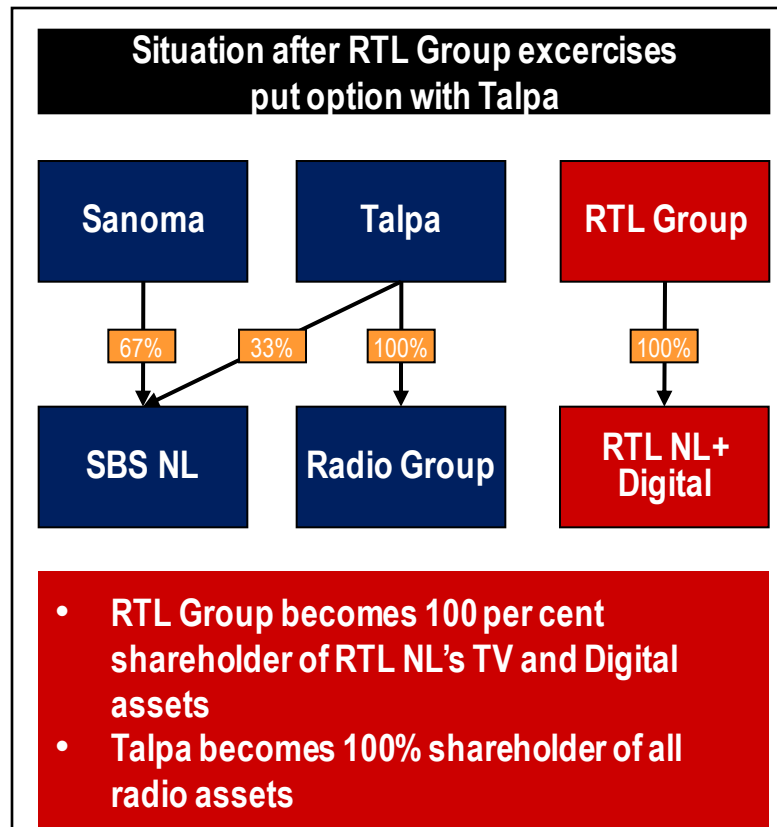
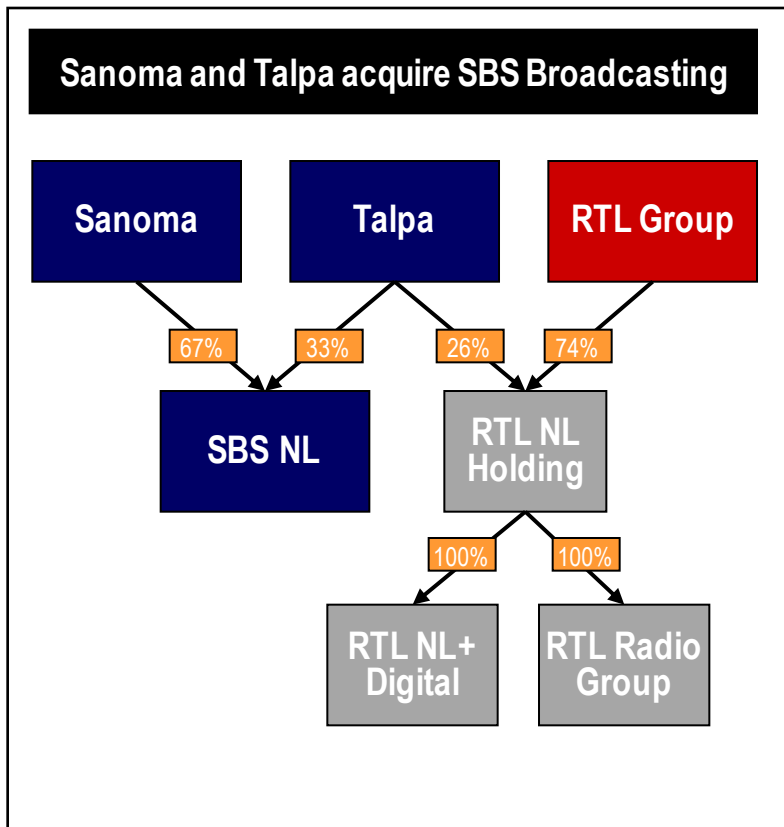
Source : RTL Group estimates, shoppers 18-54, PRIMETIME (in %) : delta versus YTD September 2010

Agenda

- Q1 2011 results
- Business Review

● **STRATEGY UPDATE**

RTL Group exercises put option which leads to unwind of all Dutch radio assets from RTL Nederland



THREE PART ACTION PLAN

1

Cleans up shareholding

- Currently IKO Telekom holds 31%, RTL 69%
- Media law changes enables gain of full control

Actions

Acquire
31%

2

Allows implementation of multichannel strategy

- RTL Klub needs family of channels in highly fragmented and fragmenting market

Create
family of
channels

3

2nd revenue stream from cable operators

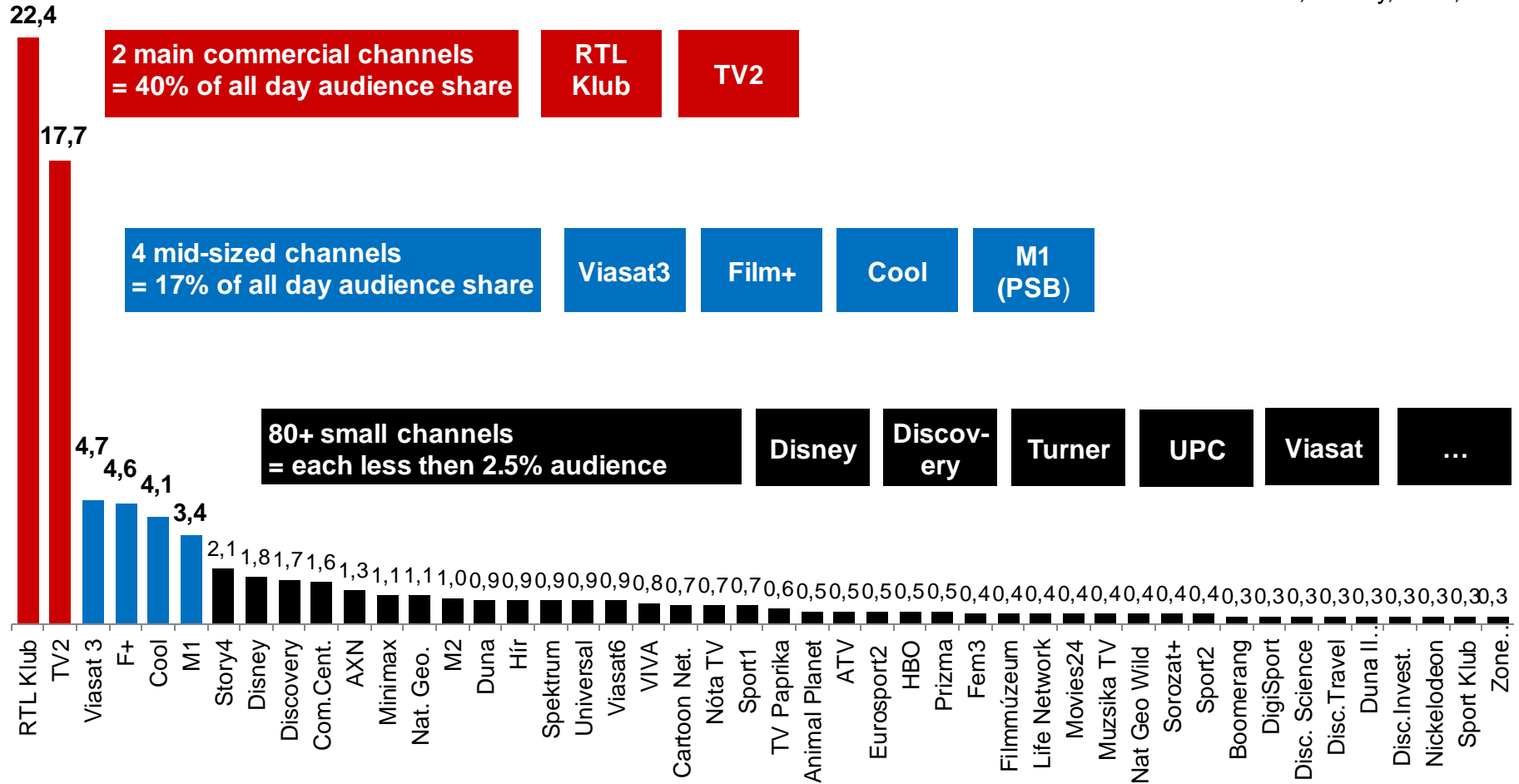
- RTL bouquet becomes even more attractive to competing digital platforms (cable, DTH, Sat, IPTV)

Aim :
distribution
fee

Acquisition of Cable Channels in Hungary

Fragmentation in the Hungarian TV market

TG 18-49, all day, in %, Q1

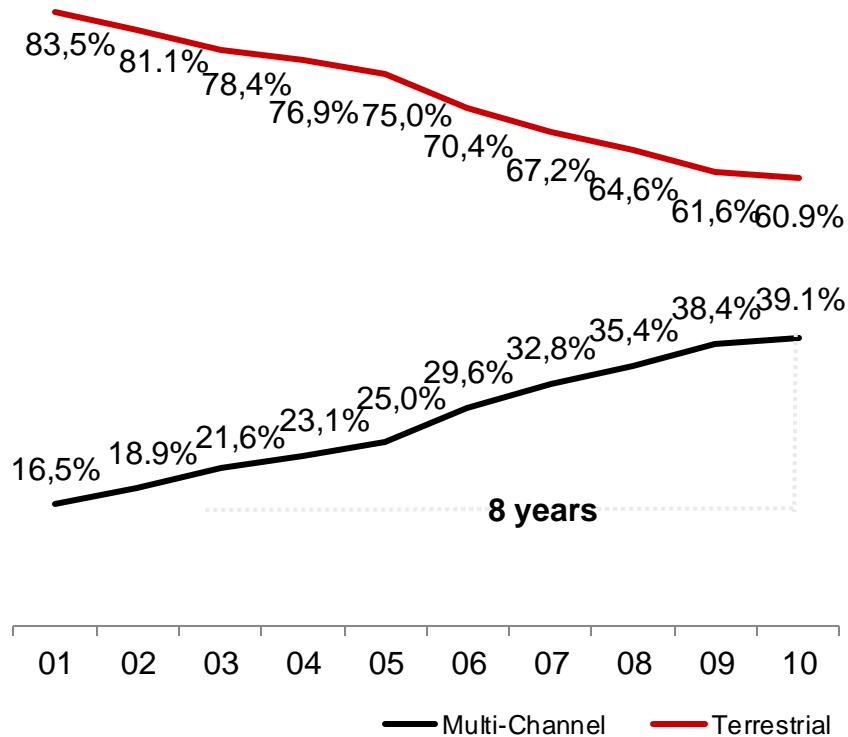


Hungarian TV market highly fragmented

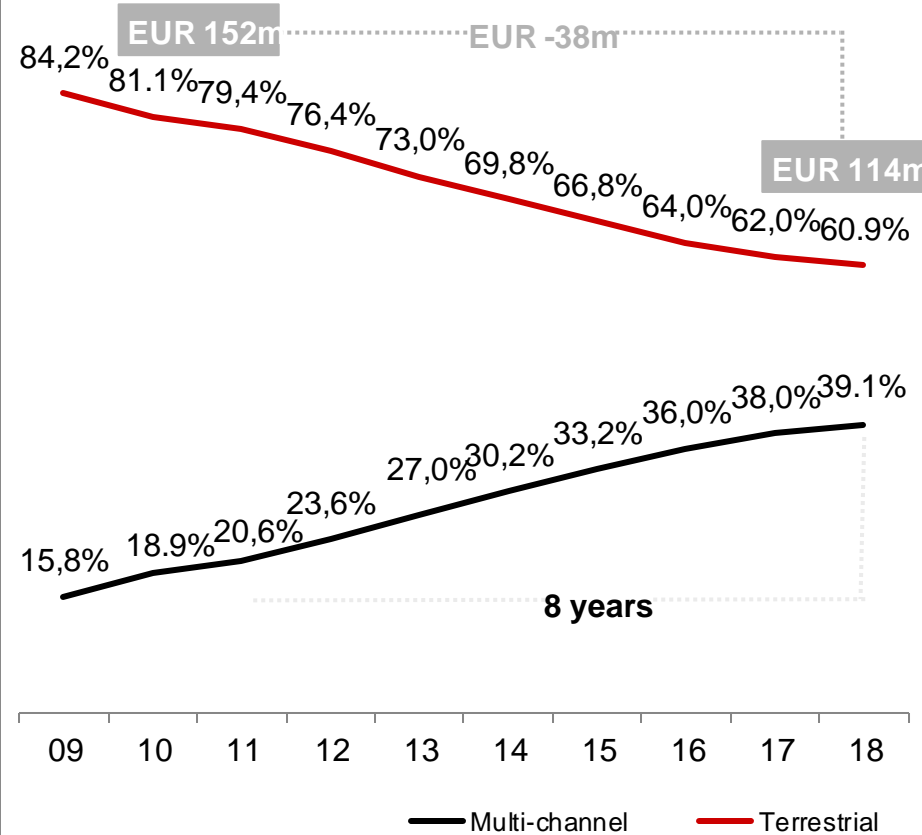
Acquisition of Cable Channels in Hungary

Development of Advertising Spend in the UK and Hungary

**UK ADVERTISING SPEND 2001 -2010
TERRESTRIAL VS. MULTI-CHANNEL**



**HUNGARY ADVERTISING SPEND 2009-2018 (E)
TERRESTRIAL VS. MULTI-CHANNEL**



Hungarian market shows similar development to the UK

Hungary: Acquisition of 7 Cable Channels & 31 per cent stake in M-RTL

Description

#1 PAY-TV CHANNEL PROVIDER IN HUNGARY

rebranded
to RTL II

Cool TV: #3 cable channel; young-skewing general entertainment, launched in 2004

Reflektor: celebrity channel, launched in 2008

Sorozat: series channel, launched in 2008

Film+: #1 movie channel and #2 overall cable channel, launched in 2004

Film+2: sister channel to Film+, launched in 2008

Prizma: entertainment channel, launched 2008

Muzsika: music channel, launched in 2009

Combined audience share of 10.1% (+2.0 pp yoy)

Significant growth potential through smaller channels

Highly profitable operation

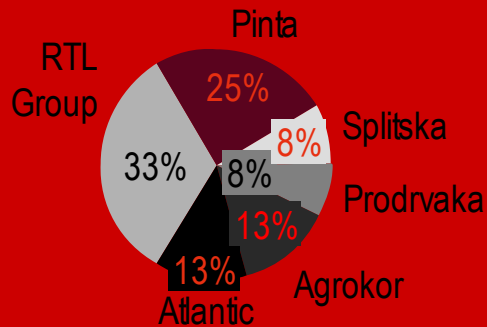
Possibility to generate subscription fees for RTL Klub

High level of synergies between main channel and cable channels

Croatia: Buy-out of Remaining Minority Shareholder

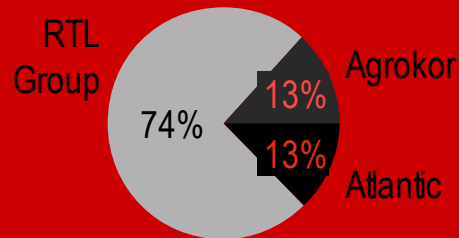
2003

RTL Group establishes RTLH with local partners



2010

After change in media law, RTL Group bought out several shareholders up until 2010



2011

In 2011, RTL Group acquires remaining 26%-stake from Agrokor and Atlantic

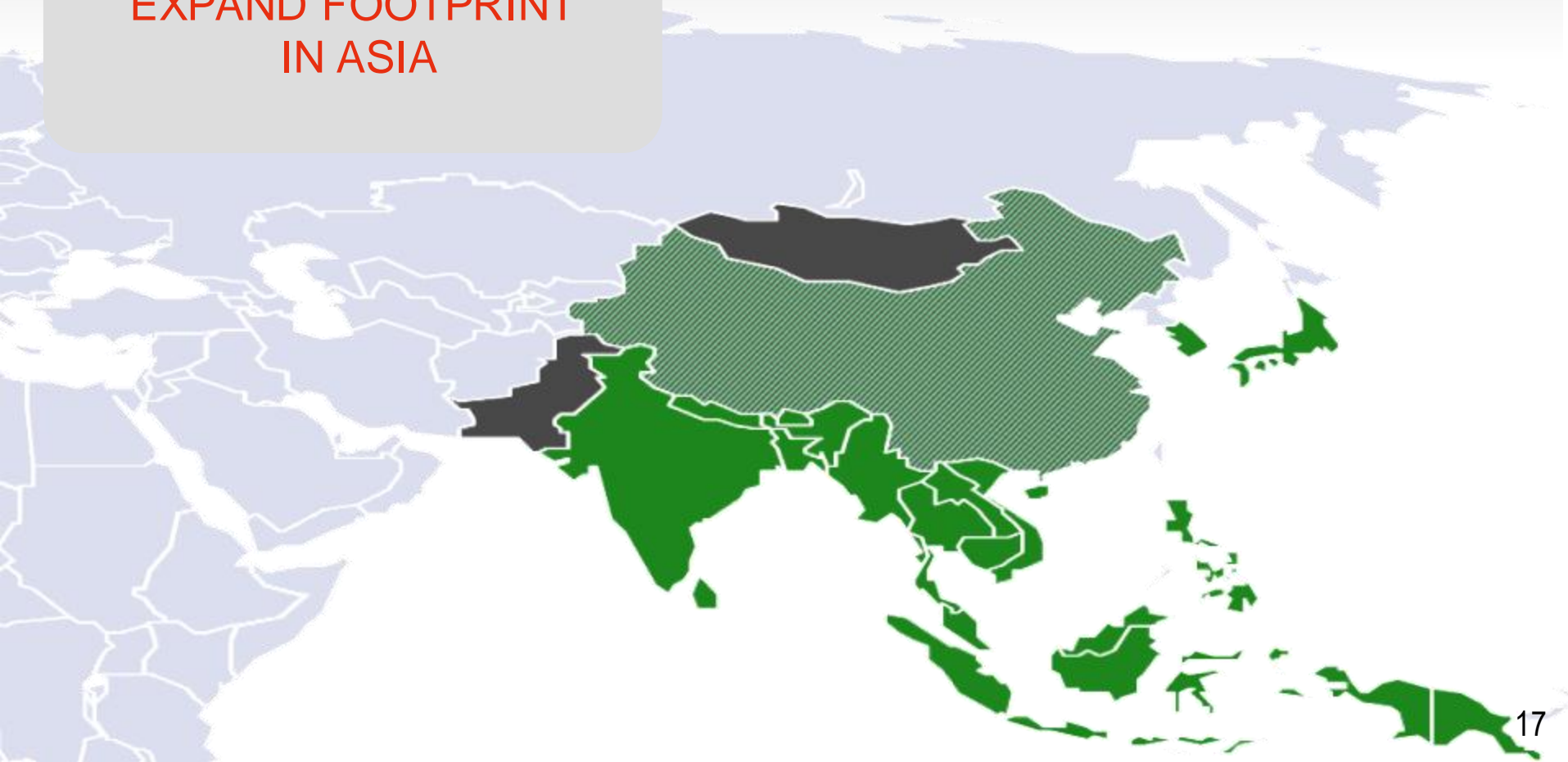
RTL Group
100%

Timing for buy-out good as...

(1) Croatian Competition Authority put pressure on Agrokor

(2) Price negotiated reasonable

EXPAND FOOTPRINT
IN ASIA



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