H1/2021: RTL Group reports strong revenue growth, a record Group profit and more than 3 million paying streaming subscribers – significant progress in building national cross-media champions

- Group revenue up 13.7 per cent to €3.0 billion in H1/2021; Group revenue up 21.5 per cent organically vs H1/2020 and up 2.1 per cent organically vs H1/2019

- Q2/2021: Group revenue up 35.8 per cent to €1,610 million, TV advertising revenue up 65.0 per cent

- H1/2021: Adjusted EBITA up 87 per cent to €483 million; Adjusted EBITA margin up 6.3 percentage points to 16.0 per cent; Adjusted EBITA before streaming start-up losses at 2019 level

- H1/2021: Record Group profit at €929 million, due to strong operating performance and capital gains

- Paying subscribers for RTL Group’s streaming services in Germany and the Netherlands up 72 per cent to more than 3 million; streaming revenue up 34 per cent to €107 million

- Major consolidation moves in Germany, France, the Netherlands and Belgium to build national cross-media champions which will create significant value for RTL Group’s shareholders

- RTL Group to further boost its global content business, Fremantle, organically and via M&A – targeting full-year revenue of €3 billion by 2025

- Full-year outlook for 2021 raised: Group revenue of around €6.5 billion (previous guidance: €6.2 billion); Adjusted EBITA of around €1,050 million (previous guidance: €975 million) and ‘Adjusted EBITA before streaming start-up losses’ of around €1,200 million (previous guidance: €1,125 million)

Luxembourg, 6 August 2021 – RTL Group announces its reviewed results for the six months ending 30 June 2021.

H1/2021: Financial key performance indicators up strongly

- **Group revenue** was up 13.7 per cent to €3,014 million (H1/2020: €2,652 million), mainly due to strong growth of TV advertising revenue in the second quarter of 2021, of Fremantle and of the streaming businesses. Group revenue was up 21.5 per cent organically¹ compared to the first half of 2020 and up 2.1 per cent organically compared to the first half of 2019.

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¹ Adjusted for portfolio changes and at constant exchange rates, for 2019 additionally adjusted for the wind down of StyleHaul. Further details can be found in Key performance indicators on page 9 of RTL Group’s Interim Report 2021
- In the first half of 2021, RTL Group’s families of channels gained net TV advertising market shares in France, the Netherlands, Hungary and Croatia. Groupe M6 and RTL Nederland reported higher audience shares while RTL Deutschland’s market share decreased slightly.

- Q2/2021 Group revenue was up 35.8 per cent to €1,610 million (Q2/2020: €1,186 million), with TV advertising revenue up 65.0 per cent to €726 million (Q2/2020: €440 million), above the Q2/2019 level (€718 million).

- Streaming revenue from TV Now and Videoland was up 33.8 per cent to €107 million (H1/2020: €80 million).

- Platform revenue was up 3.4 per cent to €213 million (H1/2020: €206 million).

- Adjusted EBITA was up 87.2 per cent to €483 million (H1/2020: €258 million). The Adjusted EBITA margin was 16.0 per cent, up 6.3 points year on year (H1/2020: 9.7 per cent). Adjusted EBITA before streaming start-up losses was at 2019 level.

- Group profit was up strongly to €929 million (H1/2020: €156 million), due to strong operating performance and capital gains.

- Net cash from operating activities was at €214 million (H1/2020: €336 million), while the operating cash conversion rate came in at 82 per cent (H1/2020: 164 per cent).


CEO Statement

“Strong operating performance and major consolidation moves will create significant value for RTL Group’s shareholders.”

Statement from Thomas Rabe, Chief Executive Officer of RTL Group:

“In the first half of 2021, RTL Group performed strongly. Adjusted EBITA and Group profit were up significantly, driven by the recovery of TV advertising markets and the growth of our content production and streaming businesses. This, combined with active portfolio management, led to a record Group profit of €929 million. Following RTL Group’s strong performance in the first six months, we have raised our outlook for the full year 2021 and now expect an Adjusted EBITA of around €1,050 million including streaming start-up losses and €1,200 million before streaming start-up losses.

Over the past months, we have made significant progress in the execution of our national champions strategy. Major moves in Germany, France, the Netherlands and Belgium will

1 Streaming revenue includes SVOD, TVOD and in-stream revenue from TV Now and Videoland/RTL XL
2 Revenue generated across all distribution platforms (cable, satellite, internet TV) including subscription and re-transmission fees
3 Operating cash conversion rate reflects the level of operating profits converted into cash. Further details can be found in Key performance indicators on page 11 of RTL Group’s Interim Report 2021
4 The net cash/(debt) excludes current and non-current lease liabilities. Including these, net debt amounts to €-166 million (31 December 2020: €-148 million). See Key performance indicators on page 12 of RTL Group’s Interim Report 2021
create significant value for RTL Group’s shareholders and put us in a strong position to compete with the global tech platforms.

In addition, we will accelerate the expansion of our content production business, Fremantle – both organically and via M&A – targeting €3 billion revenue by 2025. Fremantle will continue to focus on scripted, non-scripted and increasingly on factual shows and documentaries. The acquisitions of Abot Hameiri, Eureka and Nent Studios so far this year were first steps.

With all these changes, the time has come to reposition our core RTL brand with a new identity and a clear set of principles. We will strengthen RTL as Europe’s leading entertainment brand that stands for positive entertainment and independent journalism, as well as inspiration, energy and attitude. We will rebrand TV Now to RTL+ in Germany in autumn 2021 and will start the international roll-out in 2022.”

**Strategy**

**Strengthening RTL Group’s core – creating national media champions**

- RTL Group today announced that RTL Deutschland has agreed with Bertelsmann to fully acquire Gruner + Jahr’s (G+J) German publishing assets and brands for €230 million on a cash-free and debt-free basis⁶ to create Germany’s first cross-media champion. G+J will contribute popular and trusted media brands such as Stern, Brigitte, Geo, Capital, Schöner Wohnen, Eltern and Art as well as journalistic experience to RTL Deutschland. The transaction is expected to close on 1 January 2022.

- In March 2021, RTL Deutschland announced a binding agreement with its former joint-venture partner, The Walt Disney Company, to acquire the outstanding 50 per cent shareholding in Super RTL. The transaction was approved by the German and Austrian competition authorities and closed on 1 July 2021. RTL Group’s shareholding in Super RTL is now 100 per cent.

- In May 2021, Groupe TF1, Groupe M6, Groupe Bouygues and RTL Group announced that they had signed agreements to enter into exclusive negotiations to merge the activities of Groupe TF1 and Groupe M6 and create a major French media group. The merger project was unanimously approved by the Boards of the four groups concerned. In July 2021, Groupe Bouygues and RTL Group signed agreements relating to the merger following the favourable opinions of the French employee representative bodies. The completion of the transaction remains subject to condition precedents, in particular the authorisations of the competent authorities⁷ and the general meetings of the shareholders of Groupe TF1 and Groupe M6. The transaction is aimed to close by the end of 2022.

- In June 2021, RTL Group and Talpa Network announced that they had signed agreements to merge their broadcasting and other media businesses in the Netherlands. In the growing competition with global tech platforms, the merger will allow the combined group to step up investments in local content, technology and data, offering Dutch audiences the broadest spectrum of high-quality entertainment and reliable information programmes. The transaction is subject to approval from

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⁶ The following Gruner + Jahr assets are not part of the transaction and will remain with Bertelsmann: DDV Mediengruppe (Sächsische Zeitung), Territory, AppLike Group and G+J’s 25 per cent shareholding in Spiegel Gruppe

⁷ The antitrust authorities (Autorité de la Concurrence) and media regulator (Conseil Supérieur de l’Audiovisuel)
the competition authorities and the respective works councils and is expected to close in the first half of 2022.

– In June 2021, RTL Group announced that it had signed a definitive agreement for the sale of RTL Belgium to the Belgian media companies DPG Media and Groupe Rossel. The transaction – with preliminary total cash proceeds of €250 million – is subject to regulatory approvals and is expected to close in the fourth quarter of 2021.

Boosting growth businesses

– On 30 of June 2021, RTL Group registered 3.045 million paying subscribers for its streaming services TV Now in Germany and Videoland in the Netherlands, up 72.1 per cent year on year (30 June 2020: 1.769 million).

– Paying subscribers for TV Now increased 118.9 per cent year on year to 2.029 million (30 June 2020: 0.927 million). The strategic partnership with Deutsche Telekom to bundle TV Now Premium within Magenta TV contributed significantly to the growth.

– Paying subscribers for Videoland grew 20.7 per cent year on year to 1.016 million (30 June 2020: 0.842 million).

– In March 2021, RTL Deutschland and Sky Deutschland announced an agreement for closer collaboration in the areas of streaming and content. TV Now Premium has been available for an additional premium on the Sky Q platform since June 2021. As part of the agreement, Sky exclusively sub-licenses Formula One free-to-air rights to RTL Deutschland for the seasons 2021 and 2022.

– In June 2021, RTL Nederland and T-Mobile in the Netherlands announced that Videoland will become part of T-Mobile’s new ‘Unlimited & Entertainment’ proposition. With the new offer, customers gain access to both Videoland Plus and Netflix Standard as well as unlimited 5G data, calling and SMS in the T-Mobile network in the Netherlands with an attractive price advantage.

– In July 2021, Groupe M6 announced it would strengthen its advertising-funded streaming service 6play, offering more original content, several international films and formats, and spin-offs from linear reality shows from Groupe M6. The streaming service will also include themed channels as well as live sports on the new channel Le Live by 6play.

– Fremantle, RTL Group’s global content business, targets full-year revenue of €3 billion by 2025. To reach this goal and keep up with the increasing demand for content, RTL Group will significantly invest in Fremantle – both organically and via acquisitions – in all territories across scripted, non-scripted as well as factual shows and documentaries. In 2021, Fremantle already announced three acquisitions and step-ups:

– In April 2021, Fremantle increased its stake in Abot Hameiri, taking full ownership of one of the leading entertainment producers in Israel. The company is behind shows such as Power Couple, Find Me Somebody To Love, Hear Me Love Me See Me and the hit drama Shtisel. Abot Hameiri is also the Israeli producer for global formats such as Got Talent, Survivor and The X Factor.
− In May 2021, Fremantle also stepped up its shareholding in Eureka from 25 per cent to 51 per cent. Eureka is a production company for entertainment content in the US and Australia and creates original shows such as Holey Moley for ABC, Dating Around for Netflix and Pick, Flip & Drive for Facebook.

− In July 2021, Fremantle announced it would acquire twelve production labels of Nent Studios in Norway, Sweden, Finland and Denmark that operate across non-scripted, scripted and factual. Content created by some of the labels includes formats that travel the world, such as The Farm, which has aired in 50 territories. The transaction is expected to close in the fourth quarter of 2021, subject to competition authority approvals.

− As part of Fremantle’s growth plan, a new global factual division was established in May 2021 to significantly grow the company’s high-end documentary business. Fremantle has already announced the production of a number of premium documentaries including Kingdom of Dreams, a story set in the world of fashion, produced in collaboration with the production company Misfits Entertainment for Sky. Fremantle also has several high-end documentary acquisitions on its 2021 slate, including the water-scarcity documentary Day Zero. In Germany, UFA announced the launch of UFA Documentary, its new production unit, in April 2021. Recent documentaries include Expedition Arktis, Der Große Fake – Die Wirecard-Story, Hannelore Kohl – Die erste Frau und Angela Merkel – Frau Bundeskanzlerin.

**Outlook**

RTL Group has raised its outlook for 2021. This outlook assumes that the economic recovery from Covid 19 will continue in 2021, as vaccination programmes progress and no new lockdown measures are put in place.

− RTL Group expects its revenue to increase to approximately €6.5 billion (previous guidance: €6.2 billion). This includes, among others, the scope effects of the deconsolidation of BroadbandTV (as of 28 October 2020) and SpotX (as of 30 April 2021) and of the full consolidation of Eureka (as of 17 May 2021) and Super RTL (as of 1 July 2021).

− RTL Group expects its Adjusted EBITA for 2021 to grow to approximately €1,050 million (previous guidance: €975 million). This includes streaming start-up losses of approximately €150 million (unchanged guidance).

− RTL Group’s dividend policy remains unchanged: RTL Group plans to pay out at least 80 per cent of the adjusted full-year net result, including cash capital gains.

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<tr>
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<th>2021e new</th>
<th>2021e old</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>~€6.5bn</td>
<td>~€6.2bn</td>
<td>€6.0bn</td>
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<tr>
<td>Adjusted EBITA</td>
<td>~€1,050m</td>
<td>~€975m</td>
<td>€853m</td>
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<td>Streaming start-up losses</td>
<td>~€150m</td>
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<td>‘Adjusted EBITA before streaming start-up losses’</td>
<td>~€1,200m</td>
<td>~€1,125m</td>
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Key financial figures (January to June 2021)

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<th>H1/2021 €m</th>
<th>H1/2020 €m</th>
<th>Per cent change</th>
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<tr>
<td>Revenue</td>
<td>3,014</td>
<td>2,652</td>
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<td>Adjusted EBITA</td>
<td>483</td>
<td>258</td>
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<td>Adjusted EBITA margin (%)</td>
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<td>Adjusted EBITA</td>
<td>483</td>
<td>258</td>
<td>+87.2</td>
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<td>Significant special items</td>
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<td>(17)</td>
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<td>Impairment and reversals of investments accounted for using the equity method</td>
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<td>(65)</td>
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<td>Impairment of goodwill and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries</td>
<td>(7)</td>
<td>(4)</td>
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<td>Re-measurement of earn-out arrangements and gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree</td>
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<td>88</td>
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<td>Fair value measurements of investments</td>
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<td>EBIT</td>
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<td>260</td>
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<td>Net financial income/(expense)</td>
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<td>(19)</td>
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<td>Income tax expense</td>
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<td>(85)</td>
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<td>Group profit</td>
<td>929</td>
<td>156</td>
<td>+&gt;100.0</td>
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<tr>
<td>Attributable to:</td>
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<tr>
<td>- RTL Group shareholders</td>
<td>863</td>
<td>94</td>
<td>+&gt;100.0</td>
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<tr>
<td>- Non-controlling interests</td>
<td>66</td>
<td>62</td>
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<tr>
<td>Basic and diluted EPS (in €)</td>
<td>5.58</td>
<td>0.61</td>
<td>+&gt;100.0</td>
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The full report for the interim results 2021 will be available to download at http://www.rtlgroup.com/results-H1-2021

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RTL Group is a leader across broadcast, content and digital, with interests in 67 television channels, ten streaming platforms and 38 radio stations. RTL Group also produces content throughout the world and owns a digital video network. 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. 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, Spain and Luxembourg. RTL Group’s content business, Fremantle, is one of the world’s largest creators, producers and distributors of scripted and unscripted content. Fremantle has an international network of production teams, companies and labels in over 30 countries, producing over 12,000 hours of original programming and distributing over 30,000 hours of content worldwide. Combining the streaming-services of its broadcasters (such as RTL+/TV Now, 6play, Salto, Videoland), the digital video company We Are Era, and Fremantle’s more than 360 YouTube channels, RTL Group has become the leading European media company in digital video. RTL Group also owns the ad-tech businesses Smartclip and Yospace, as well as the streaming-tech company Bedrock.

RTL AdConnect is RTL Group’s international advertising sales house. Bertelsmann is the majority shareholder of RTL Group, which is listed on the Luxembourg and Frankfurt stock exchanges and in the SDAX stock index.