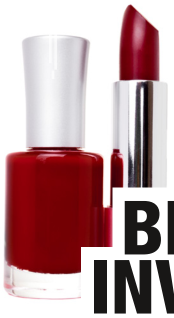
2014

January – September Interim Report

The leading
European
entertainment
network

HIGHLIGHTS



BEAUTIFUL INVESTMENT

On 3 November 2014, RTL Group announced the acquisition of a controlling stake in StyleHaul, valuing the company at US-$151.4 million. RTL Group will also invest US-$20 million into StyleHaul in order to fund the company's growth plan.

Stephanie Horbaczewski, founder and CEO of StyleHaul

This transaction, which is expected to close by the end of November 2014, will increase RTL Group's shareholding from 22.3 per cent to 93.6 per cent (on a fully diluted basis). In a joint statement, RTL Group's Co-CEOs Anke Schäferkordt and Guillaume de Posch said: "The acquisition of StyleHaul is another major strategic step in developing RTL Group into a global powerhouse in the rapidly growing market for online video. StyleHaul is an excellent fit with our digital portfolio, complementing our recent, technology-focused acquisitions BroadbandTV and SpotXchange." With this agreement, RTL Group further accelerates its rapidly growing presence in the online video space and its position in North America – the largest and most innovative media market worldwide. Stephanie Horbaczewski, Founder and CEO of StyleHaul, says: "For the past two years the partnership between StyleHaul and RTL Group has played an integral role in our success and growth. We are thrilled to be deepening that relationship and play a significant role in their emergence as a leader in the digital landscape."

KICK OFF

The qualifying round for the 2016 European Football Championship has gotten off to an excellent start, with outstanding ratings for RTL Television.

Germany's 2:1 victory against Scotland in the first of ten European Championship qualifying matches was watched by an average 10.88 million viewers on RTL Television on the night of Sunday 7 September. The audience share was 33.7 per cent among 14- to 59-year-olds. Frank Hoffmann, Programming Managing Director at RTL Television, comments: "The World Cup victory and the euphoria around the country are the best possible assets for our shared football adventure starting September. We're really excited that this wonderful team is now playing on RTL Television." In 2013, the Cologne-based broadcaster had secured the TV rights to the European qualifiers for Euro 2016 in France, as well as to the ten qualifying games for the 2018 World Cup in Russia. RTL Television's next broadcasts of German team qualifying match will be on 14 November 2014 at 20:45 against Gibraltar.

Commentator Marco Hagemann, expert Jens Lehmann and presenter Florian König (from left to right)

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Q3/2014: Solid results driven by slight improvement in advertising revenue in key markets

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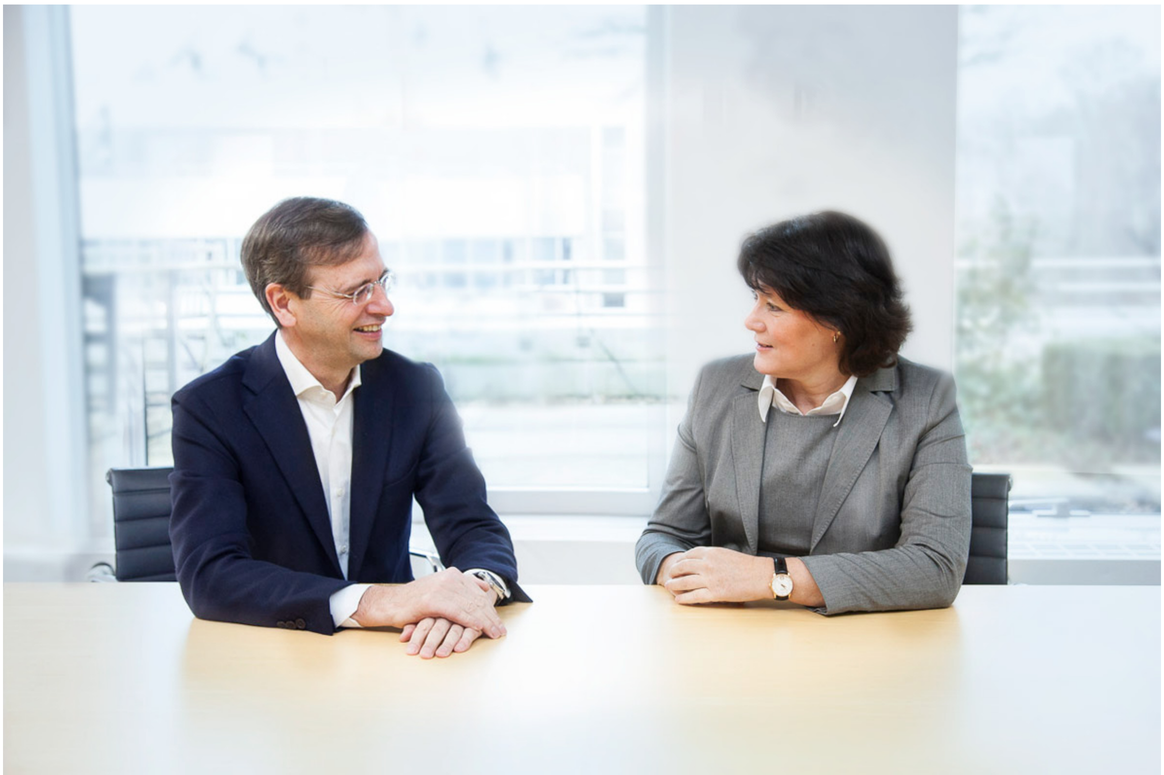
- **RTL Group accelerates its digital expansion with recent acquisitions of the programmatic video advertising platform, SpotXchange, and the leading multi-channel network for fashion, beauty and lifestyle, Style Haul**

Luxembourg, 13 November 2014 – RTL Group, the leading European entertainment network, announces its results for the nine months ending 30 September 2014.

	January to September 2014 €m	January to September 2013[1] €m	per cent change
Revenue	**3,946**	**4,012**	**(1.6)**
Underlying revenue[2]	**3,890**	**3,958**	**(1.7)**
Reported EBITA[3]	**679**	**713**	**(4.8)**
Reported EBITA margin (%)	**17.2**	**17.8**	
Reported EBITA	**679**	**713**	
Impairment of goodwill and amortisation and impairment of fair value adjustment on acquisitions of subsidiaries	(101)	(7)	
Impairment of investments accounted for using the equity method	–	72	
Re-measurement of earn-out arrangements	1	–	
Gain from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	2	5	
EBIT	**581**	**783**	
Net financial expense	(24)	16	
Income tax expense	(197)	(206)	
Profit for the period	**360**	**593**	
Attributable to:			
– Non-controlling interests	54	58	
– RTL Group shareholders	**306**	**535**	
Reported EPS (in €)	**2.00**	**3.48**	

Regulated information. The figures presented in the interim management statement are unaudited
1 All financial information for January to September 2013 are restated for IFRS 11
2 Adjusted for scope changes and at constant exchange rates
3 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



GUILLAUME DE POSCH AND ANKE SCHÄFERKORDT
Co-CEOs of RTL Group

"A global force in online video"

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

"After nine months, we see a similar picture as at our half-year results in August. While Mediengruppe RTL Deutschland and RTL Nederland report significant profit growth, the economic situation in France and for FremantleMedia remain challenging. In the third quarter, significant revenue and EBITA growth in Germany led to stable Group results, and we had a good start into the important fourth quarter.

Given our high cash flows and strong financial position, we won't wait for the economic condition to improve, but invest today in new growth drivers for RTL Group. This year, we will invest more than €240 million in rapidly growing digital businesses – while also launching new channels and further diversifying our content production arm. This is the highest investment level for acquisitions since 2005. With the recent acquisitions of SpotXchange and StyleHaul, we have made strategically important progress to make RTL Group a global force in online video and online video advertising."

Q3/2014: continued improvement of TV advertising market conditions

- **TV advertising markets** across Europe were up in the third quarter – with the exception of Belgium
- However, the third quarter, with the summer holiday season, is a traditionally weaker quarter in terms of advertising revenue (**seasonality**)
- In the third quarter of 2014, reported Group **revenue** was stable at €1,259 million (Q3/2013: €1,257 million), while **reported EBITA** was €160 million (Q3/2013: €161 million)

January to September 2014: exchange rate effects and new advertising tax in Hungary weigh on RTL Group results

- **TV advertising markets** across Europe continued to show signs of improvement over the first nine months of 2014. With the exception of France – which was stable – and Belgium – which was down 0.7 per cent – all European net TV advertising markets in RTL Group's territories were up year-on-year
- Reported Group **revenue** decreased slightly to €3,946 million (January to September 2013: €4,012 million), mainly due to negative exchange rate effects, lower advertising sales in France along with lower revenue from FremantleMedia and UFA Sports
- RTL Group's **digital revenue**[4] continued to show dynamic growth, up 16 per cent to €180 million benefitting from organic growth and new acquisitions
- **Reported EBITA** was €679 million compared to €713 million in the first nine months of 2013. The decrease is mainly due to lower profit contributions from FremantleMedia and RTL Group's broadcasting operations in France, which offset growth from Germany and the Netherlands
- **EBITA margin** at 17.2 per cent (January to September 2013: 17.8 per cent)
- **Net profit attributable to RTL Group shareholders** decreased by 42.8 per cent to €306 million (January to September 2013: €535 million). As described at the half year, this was principally due to movements in impairment charges. In the first nine months of 2014, RTL Group recorded a goodwill impairment on RTL Hungary amounting to €77 million. Conversely, the net profit for the first nine months of 2013 included a significant positive one-off effect of €72 million, resulting from the reversal of an impairment on RTL Group's holding in the Spanish broadcasting **company** Atresmedia
- **Net cash** from operating activities was €586 million, resulting in an operating cash conversion of 86 per cent
- Following the payment of an extraordinary interim dividend of €307 million on 4 September 2014, RTL Group had **net financial debt** of €926 million as of 30 September 2014 (30 June 2014: €475 million)

Mediengruppe RTL Deutschland reports best nine-month EBITA

- During the first nine months of 2014 EBITA of Mediengruppe RTL Deutschland increased significantly, by 5.0 per cent to €418 million (January to September 2013: €398 million). This improvement was mainly driven by higher TV advertising revenue in Q3 and a growing digital distribution business
- The French TV advertising market was estimated to be stable in the first nine months. Against this environment, Groupe M6's EBITA was down to €144 million (January to September 2013: €154 million), mainly due to lower TV advertising revenue
- RTL Nederland's EBITA increased by 6.9 per cent to €62 million (January to September 2013: €58 million), mainly driven by higher digital distribution revenue and diversification activities
- FremantleMedia's EBITA decreased to €54 million (January to September 2013: €77 million), due to unfavourable exchange rates, lower revenue from *American Idol* and increased investments in digital business and in the content pipeline

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

Highlights from RTL Group's operations

RTL Group continues to make good progress across its three strategic pillars: broadcast, content and digital

Broadcast: investments in core business

- New TV channels strengthen RTL Group's family of channels: during the reporting period, RTL Group companies launched three new channels: RTL Kockica in Croatia, Geo TV in Germany and RTL CBS Extreme HD in South East Asia

- RTL Television broadcast the first of 20 matches of the German football national team. The first match was watched by an average 10.88 million viewers. The audience share among viewers aged 14 to 59 was 33.7 per cent

Content: bolstering the footprint

- At the end of March 2014, FremantleMedia acquired a 75 per cent majority stake in the US-based reality production company, 495 Productions, and has the opportunity to acquire the remaining shareholding in the future. This allows FremantleMedia to expand its share of the valuable US cable market and complements and diversifies FremantleMedia's existing portfolio of content and clients in the biggest TV market worldwide

Digital: continued investments into digital capabilities and footprint

- With the acquisition of StyleHaul RTL Group further accelerates its rapidly growing presence in the online video space. With 900 million video views per month, StyleHaul is the leading multi-channel network on Youtube for fashion, beauty and lifestyle – a highly attractive segment for major advertisers

- FremantleMedia North America's recently-launched digital content studio, Tiny Riot, has partnered with BroadbandTV on a multi-year original programming deal spanning entertainment, gaming and music content

- In September, RTL Group completed the acquisition of a 65 per cent majority stake in the programmatic video advertising platform SpotXchange; the investment significantly strengthens RTL Group's global scale across the entire online video advertising market and adds new technology- and data-based competencies

- In September, RTL Interactive in Germany acquired Econa Shopping for €27.5 million. Econa operates curated advice and recommendation platforms for online shopping such as *Sparwelt.de*. It is the most significant acquisition in the history of RTL Interactive

- RTL Group developed its strong and rapidly growing presence across all digital platforms. In the first nine months of 2014:
  - RTL Group's catch-up TV services and websites, including the Youtube MCN BroadbandTV, attracted a total 24.4 billion online video views, up 159 per cent year-on-year
  - thereof: FremantleMedia's more than 175 Youtube channels attracted 6.2 billion views, up 34.8 per cent year-on-year
  - For the full year, RTL Group expects to more than double its online video views to around 40 billion

FINANCIAL REVIEW JANUARY TO SEPTEMBER 2014

Revenue

Advertising markets across Europe continued to show signs of improvement over the first nine months of 2014. With the exception of France – which was stable – and Belgium – which was down 0.7 per cent – all European net TV advertising markets in RTL Group's territories were up year-on-year.

A summary of RTL Group's key markets is shown below, including estimates of net TV advertising market growth rates and the audience share of the main target audience group.

	Net TV advertising market growth rate January to September 2014 (in per cent)	RTL Group audience share in main target group January to September 2014 (in per cent)	RTL Group audience share in main target group January to September 2013 (in per cent)
Germany	+3.0 to 4.0[5]	28.8[6]	30.7[6]
France	±0.0[7]	22.0[8]	22.7[8]
Netherlands	+4.8[5]	31.4[9]	32.3[9]
Belgium	(0.7)[5]	34.6[10]	36.3[10]
Hungary	+2.9[5]	35.9[11]	37.5[11]
Croatia	+6.1[5]	25.1[12]	27.5[12]
Spain	+9.9[13]	30.3[14]	30.7[14]

During the period January to September 2014, revenue was slightly down by 1.6 per cent to €3,946 million (January to September 2013: €4,012 million). On a like-for-like basis (adjusting for portfolio changes and at constant exchange rates) revenue was down 1.7 per cent to €3,890 million (January to September 2013: €3,958 million).

EBITA and EBITDA

Reported EBITA decreased by 4.8 per cent to €679 million (January to September 2013: €713 million). The Group's EBITDA[15] was €820 million for the first nine months of the year (January to September 2013: €830 million), resulting in an EBITDA margin of 20.8 per cent (January to September 2013: 20.7 per cent).

Group operating expenses were down 0.9 per cent at €3,321 million, compared to €3,351 million for the first nine months of 2013.

5 Industry and RTL Group estimates
6 Source: GfK. Target group: 14 – 59
7 Source: Groupe M6 estimate
8 Source: Médiamétrie. Target group: housewives under 50 (including digital channels)
9 Source: SKO. Target group: 20 – 49, 18 – 24h
10 Source: Audimétrie. Target group: shoppers 18 – 54, 17 – 23h
11 Source: AGB Hungary. Target group: 18 – 49, prime time (including cable channels)
12 Source: AGB Nielsen Media Research. Target group: 18 – 49, prime time
13 Source: Infoadex and Atresmedia estimate
14 Source: TNS Sofres. Target group: 16 – 54
15 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

Net debt and cash conversion

The consolidated net debt at 30 September 2014 amounted to €926 million (30 June 2014 net debt of €475 million; 30 September 2013: net debt of €465 million; 31 December 2013: net cash of €6 million). The Group intends to maintain a conservative level of gearing of between 0.5 and 1.0 times net debt to full-year EBITDA in order to benefit from a more efficient capital structure.

The Group continues to generate significant operating cash flow with an EBITA to cash conversion ratio of 86 per cent in the first nine months of 2014 (January to September 2013: 112 per cent).

Net (debt) / cash position

	As at 30 September 2014 €m	As at 31 December 2013 €m
Gross balance sheet debt	(1,271)	(565)
Add: cash and cash equivalents	321	542
Add: cash deposit and others	24	29
Net (debt) / cash position	**(926)**	**6**

Investments accounted for using the equity method

The share of results of investments accounted for using the equity method amounted to €30 million. In 2013, the reported result of €99 million included the reversal of an impairment totalling €72 million, towards the associate company Atresmedia. According to IFRS 11, joint ventures previously consolidated proportionately, are now consolidated at equity. Accordingly, the 2013 comparatives have been re-stated for this effect.

Interest income/(expense) and financial results other than interest

Net interest expense amounted to €20 million (January to September 2013: expense of €13 million) and is primarily due to the interest charge on the Group's financial debt, pension costs and other interest expenses.

Impairment of goodwill and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries and joint ventures

An impairment loss totalling €88 million has been recorded in the 2014 statements. This charge is primarily against the goodwill carried by the Group in RTL Hungary, which has now been fully impaired, and is a direct result of the new advertising tax which came into force on the 15 August 2014. The charge related to RTL Hungary amounts to €77 million. A further smaller impairment charge, amounting to €9 million, has been recognised against the goodwill of Radical Media, a US branded entertainment business wholly owned by FremantleMedia.

The impairment and amortisation loss totalling €13 million solely relates to the amortisation and impairment of fair value adjustments on acquisitions of subsidiaries. €9 million of this amount relates to an impairment of intangible assets recognised in a purchase price allocation following the acquisition of the Hungarian cable channels.

Income tax expense

In the first nine months of 2014, the tax expense was €197 million (January to September 2013: expense of €206 million).

Profit attributable to RTL Group shareholders

The profit for the period attributable to RTL Group shareholders was €306 million (January to September 2013: €535 million).

Earnings per share

Reported earnings per share, based upon 153,591,437 shares, was €2.00 (January to September 2013: €3.48 per share).

Major related party transactions

The major related party transactions can be found in note 14 to the condensed consolidated interim financial information.

Subsequent Events

See note 16.

Outlook

While visibility on the important fourth quarter still remains limited and given the facts that the economic environment in France remains difficult for RTL Group's local TV and radio operations, that FremantleMedia faces continued pressure on volumes and prices and that the new advertising tax in Hungary will strongly reduce the profitability of RTL Hungary, RTL Group confirms its outlook for the full year 2014, communicated end of August at the occasions of the Group's half-year financial results. The Group assumes a slight decrease in full-year revenue. For the full-year EBITA, RTL Group expects a more significant decrease compared to the revenue decline.

REVIEW BY SEGMENTS

January to September 2014

Revenue	January to September 2014 €m	January to September 2013[17] €m	per cent change
Mediengruppe RTL Deutschland	1,368	1,336	+2.4
Groupe M6	935	985	(5.1)
FremantleMedia	982	1,029	(4.6)
RTL Nederland	315	303	+4.0
RTL Belgium	141	146	(3.4)
RTL Radio (France)	112	122	(8.2)
Other segments	229	235	(2.6)
Eliminations	(136)	(144)	n.a.
Total revenue	**3,946**	**4,012**	**(1.6)**

EBITA	January to September 2014 €m	January to September 2013[17] €m	per cent change
Mediengruppe RTL Deutschland	418	398	+5.0
Groupe M6	144	154	(6.5)
FremantleMedia	54	77	(29.9)
RTL Nederland	62	58	+6.9
RTL Belgium	29	29	–
RTL Radio (France)	4	12	(66.7)
Other segments	(32)	(15)	n.a.
Reported EBITA	**679**	**713**	**(4.8)**

EBITA margins	January to September 2014 in per cent	January to September 2013[17] in per cent	percentage point change
Mediengruppe RTL Deutschland	30.6	29.8	+0.8
Groupe M6	15.4	15.6	(0.2)
FremantleMedia	5.5	7.5	(2.0)
RTL Nederland	19.7	19.1	+0.6
RTL Belgium	20.6	19.9	+0.7
RTL Radio (France)	3.6	9.8	(6.2)
Reported EBITA margin	**17.2**	**17.8**	**(0.6)**

17 All financial figures for January to September 2013 are restated for IFRS 11

FINANCIAL REVIEW Q3 / 2014

The months of July and August are particularly low in terms of advertising revenue, due to the summer holiday season, which means that the third quarter is the weakest in terms of RTL Group's trading pattern.

	Q3 / 2014 €m	Q3 / 2013[18] €m	per cent change
Revenue	**1,259**	**1,257**	**+0.2**
Cost base	(1,112)	(1,114)	(0.2)
EBITA	**160**	**161**	**(0.6)**
EBIT	**159**	**163**	
Net interest expense	(6)	(7)	
Financial result other than interest	(3)	18	
Profit before taxes	150	174	
Income tax expense	(37)	(48)	
Profit for the period	**113**	**126**	
EPS (in €)	0.68	0.76	

Revenue

During the third quarter of 2014, revenue was stable at €1,259 million (Q3/ 2013: €1,257 million). Mediengruppe RTL Deutschland reported strong revenue growth of 7.8 per cent in the quarter thanks to an improved advertising market share in a growing overall market. FremantleMedia reported stable revenue while Groupe M6 reported lower overall revenue mainly due to the impact of the disposal of Mistergooddeal in March of this year. Without this effect revenue of Groupe M6 would have been stable compared to Q3/2013.

EBITA and EBITDA

Reported EBITA decreased slightly by 0.6 per cent to €160 million (Q3/2013: €161 million). Group operating expenses were at €1,112 million for the third quarter of 2014 (Q3 / 2013: €1,114).

Interest income/(expense) and financial results other than interest

The net financial expense amounted to €9 million (Q3/2013: income of €11 million). In September 2013 the Group started benefiting from the one-off sale of non-monetary assets which resulted in a positive financial results other than interest amounting to €18 million.

18 All financial figures for Q3/2013 are restated for IFRS 11

REVIEW BY SEGMENTS

Third quarter of 2014 (Q3/2014)

Revenue	Q3/2014 €m	Q3/2013[19] €m	per cent change
Mediengruppe RTL Deutschland	441	409	+7.8
Groupe M6	265	291	(8.9)
FremantleMedia	359	363	(1.1)
RTL Nederland	91	93	(2.2)
RTL Belgium	39	41	(4.9)
RTL Radio (France)	32	36	(11.1)
Other segments	75	74	+1.4
Eliminations	(43)	(50)	n.a.
Total revenue	**1,259**	**1,257**	**+0.2**

EBITA	Q3/2014 €m	Q3/2013[19] €m	per cent change
Mediengruppe RTL Deutschland	105	92	+14.1
Groupe M6	31	27	+14.8
FremantleMedia	25	30	(16.7)
RTL Nederland	18	20	(10.0)
RTL Belgium	3	4	(25.0)
RTL Radio (France)	(3)	(1)	n.a.
Other segments	(19)	(11)	n.a.
Reported EBITA	**160**	**161**	**(0.6)**

EBITA margins	Q3/2014 Per cent	Q3/2013[19] Per cent	percentage point change
Mediengruppe RTL Deutschland	23.8	22.5	+1.3
Groupe M6	11.7	9.3	+2.4
FremantleMedia	7.0	8.3	(1.3)
RTL Nederland	19.8	21.5	(1.7)
RTL Belgium	7.7	9.8	(2.1)
RTL Radio (France)	(9.4)	(2.8)	(6.6)
Reported EBITA margin	**12.7**	**12.8**	**(0.1)**

19 All financial figures for Q3/2013 are restated for IFRS 11

MEDIENGRUPPE RTL DEUTSCHLAND

FINANCIAL RESULTS

In the first nine months of 2014, the German net TV advertising market was estimated to be up between 3.0 and 4.0 per cent. Mediengruppe RTL Deutschland's revenue increased by 2.4 per cent to €1,368 million (January to September 2013: €1,336 million), mainly driven by higher TV advertising revenue in the third quarter of 2014. EBITA was up from €398 million in the first nine months of 2013 to €418 million – an increase of 5.0 per cent. This improvement was mainly driven by higher TV advertising revenue in Q3 and a growing digital distribution business.

	January to September 2014 €m	January to September 2013 €m	Per cent change
Revenue	**1,368**	1,336	+2.4
EBITA	**418**	398	+5.0

AUDIENCE RATINGS

During the reporting period, the channels of **Mediengruppe RTL Deutschland**'s combined average audience share decreased to 28.8 per cent (January to September 2013: 30.7 per cent) in the target group of viewers aged 14 to 59, mainly due to the fact that major sporting events like the Olympic Games and the Football World Cup were broadcast on the public channels. This also led to lower audience shares for the two biggest channels: RTL Television and Vox. However, the German RTL family of channels remained ahead of its main commercial competitor ProSiebenSat1 by 3.2 percentage points.

With an audience share of 12.6 per cent in the target group of viewers aged 14 to 59 during the first nine months of 2014 (January to September 2013: 14.0 per cent), **RTL Television** remained the viewers' number one choice – 3.1 percentage points ahead of the second highest-rated channel, Sat1.

In September, RTL Television broadcast the first match of the German football national team in the European Qualifiers – an average 10.88 million viewers tuned in. The audience share among viewers aged 14 to 59 was 33.7 per cent. *Das Supertalent* returned to screens for the eighth season. An average 25.0 per cent of the viewers aged 14 to 59 watched the first episode on 27 September. Complementing RTL Television's information programmes, the investigative *Team Wallraff* caused a lot of stir in Germany and was awarded with a *Deutscher Fernsehpreis* and was watched by an average 16.9 per cent of the viewers aged 14 to 59.

In the first nine months of 2014, **Vox**'s average audience share was 6.7 per cent in the target group of viewers aged 14 to 59 (January to September 2013: 7.5 per cent). One of the most popular shows was *Sing meinen Song – Das Tauschkonzert* with Xavier Naidoo which attracted an average 9.1 per cent of the viewers aged 14 to 59. The newly launched *Die Höhle der Löwen* was popular from the beginning: with an average audience share of 8.9 per cent in the target group, Vox has already commissioned a second season of the show.

RTL Nitro almost doubled its audience share, attracting an average 1.5 per cent of the viewers aged 14 to 59 (January to September 2013: 0.8 per cent). With an audience share of 1.8 per cent in September 2014, RTL Nitro recorded its best monthly audience share since its launch.

RTL II recorded an average audience share of 5.4 per cent among viewers aged 14 to 59 (January to September 2013: 5.8 per cent). Again, the access prime time formats *Berlin – Tag & Nacht* and *Köln 50667* were among the most popular shows on RTL II. *Games Of Thrones* scored an average audience share of 6.6 per cent among viewers aged 14 to 59. In prime time, *Die Geissens – Eine schrecklich glamouröse Familie!* and *Die Reimanns – Ein außergewöhnliches Leben* were popular.

The newly launched Disney Channel has been on air in Germany since January 2014, taking some audience shares from the existing players. However, **Super RTL** managed to remain the most popular children's channel in Germany with an audience share of 20.2 per cent in its target group of 3 to 13-year-olds during the 06:00 to 20:15 time slot (January to September 2013: 23.5 per cent), ahead of its two competitors, Kika (19.4 per cent), Nick (10.1 per cent) and the Disney Channel (8.0 per cent).

The news channel **N-TV** attracted a stable audience share of 1.0 per cent of the viewers aged 14 to 59. Especially popular are N-TV's news casts in the morning and *Telebörse*, N-TV's reports from the stock markets.

In September, **RTL Interactive** acquired Econa Shopping for €27.5 million. The move further strengthens its online couponing business, as Econa operates curated advice and recommendation platforms for online shopping like *Sparwelt.de*. It is the largest acquisition in the history of RTL Interactive.

With an average of 75.3 million visits per month, *N-TV.de* and the mobile offers of N-TV are regularly among the top news services in the German web.

Mediengruppe RTL Deutschland's family of catch-up services, combined with the clip portal *Clipfish.de*, Clipfish Music HbbTV and the unit's channel and thematic websites, recorded a total number of 855 million video views of professionally produced content (January to September 2013: 927 million). While big shows still draw large numbers of video views, overall lower online video views reflect decreasing TV audience shares. Around 22 per cent of video views were generated on mobile devices (January to September 2013: 16 per cent).

GROUPE M6

FINANCIAL RESULTS

While the French TV advertising market was estimated to be flat compared to the previous year, Groupe M6 performed below the market. In the first nine months of 2014, Groupe M6's revenue was down to €935 million (January to September 2013: €985 million), mainly due to lower TV advertising revenues and the sale of Mistergooddeal. Accordingly, EBITA decreased to €144 million (January to September 2013: €154 million). In an economic environment that is still weak, Groupe M6 recorded an increase of 14.8 per cent in EBITA to €31 million in the third quarter of 2014.

	January to September 2014 €m	January to September 2013 €m	Per cent change
Revenue	**935**	985	(5.1)
EBITA	**144**	154	(6.5)

AUDIENCE RATINGS

During the first nine months of 2014, two major sport events (the Winter Olympic Games and the Football World Cup) had a strong impact on the average audience shares in France. In addition, the six new DTT channels launched in December 2012 continued to grow, reaching an average total audience share of 3.8 per cent, further driving fragmentation.

Groupe M6's combined audience share was 22.0 per cent in the key commercial target group of housewives under 50 during the first nine months of 2014 (January to September 2013: 22.7 per cent).

M6 remained the second most-watched channel in France among housewives under 50, scoring an average audience share of 15.6 per cent in the first nine months of 2014 (January to September 2013: 16.2 per cent). *L'Amour est dans le pré* was once again the most watched programme of the summer with an average 5.4 million viewers and an average audience share of 34.6 per cent in the target group. The first episode of the new talent show *Rising Star* was watched by an average 29.0 per cent of housewives under 50 on 25 September. In access prime time, the evening news programme *Le 19h45* continued to be the leading news show among housewives under 50, with an average audience share of 22.7 per cent.

W9 attracted an average 3.7 per cent of the housewives under 50 (January to September 2013: 4.1 per cent), making it the second most-watched DTT channel in this demographic. Underlining its positioning as a 'mini-generalist' channel, W9 scored high ratings in various genres, including movies, magazines, factual entertainment formats, reality TV shows and live broadcasts of Uefa Europa League football matches.

In the target group of housewives under 50, 6ter was the leading channel among the six DTT channels launched in December 2012, with an average audience share of 1.3 per cent (January to September 2013: 0.8 per cent).

During the first nine months of 2014, M6 Web reached an average audience of 11 million unique users per month across its network. During the reporting period, Groupe M6's total video views grew significantly to 783 million (January to September 2013: 470 million), mainly driven by the comedy network Golden Moustache. 6play – available on both computer and television via virtually all cable, IPTV and satellite packages in France – registered a monthly average of almost 63 million online video views in the first nine months of 2014 (thereof 8.7 million live views).

FREMANTLEMEDIA

FINANCIAL RESULTS

Revenue of FremantleMedia – RTL Group's content production arm – decreased to €982 million during the first nine months of 2014 (January to September 2013: €1,029 million) and EBITA decreased to €54 million (January to September 2013: €77 million). These results are due to unfavourable exchange rates, lower revenue from *American Idol* and increased investments in digital business and in the content pipeline.

	January to September 2014 €m	January to September 2013 €m	Per cent change
Revenue	982	1,029	(4.6)
EBITA	54	77	(29.9)

PRODUCTION BUSINESSES

In February, FremantleMedia and Vice Media, the global youth media company, announced a venture to create a multi-channel food platform for the millennial audience. Munchies launched in April at Mip TV where five titles were unveiled including, *Munchies: Chef's Night Out*, *Being Frank*, *Fresh Off the Boat*, *Girl Eats Food*, and *F*ck, That's Delicious*. Content for the platform is being created by FremantleMedia digital teams in the US, UK and Germany, with more territories to follow.

In March 2014, FremantleMedia acquired a majority stake in 495 Productions, a leading US-based reality production company renowned for its cutting edge, female-skewed programming. The acquisition extends and complements FremantleMedia's programming. FremantleMedia's Scandinavian production company Miso Film expanded its footprint by opening a new office in Sweden to produce both feature films and TV series for the Scandinavian and international market.

In April, Guinness World Records announced *Got Talent* as 'The World's Most Successful Reality TV Format' ever, having been commissioned in an impressive 58 territories worldwide. Since then the format has continued to travel and is now in 66 markets.

In June, FremantleMedia North America (FMNA) launched their original digital production studio, Tiny Riot, to produce original digital content for its own channels like *The Pet Collective*, for FMNA's TV properties including *Family Feud* and *Celebrity Name Game*, and for partners like Vice Media and StyleHaul. In September, Tiny Riot partnered with BroadbandTV (BBTV) on a multi-year original programming deal spanning entertainment, gaming and music content.

Online talk show *The Crew* premiered in January and has attracted over 5 million views and more than 30 million in social interactions across Facebook, Twitter and Instagram, quickly becoming StyleHaul's most successful original series. This is the first content to come out of the production and development deal with FremantleMedia North America and the leading fashion multi-channel network StyleHaul.

The Price Is Right continued to rank as the number one daytime show in the 2014/15 season, winning an average audience of 5.1 million viewers (2+) and an audience share of 12.8 per cent for the season to date. *Family Feud* hit a new high in January, attaining an average household rating of 6.3 per cent – the shows highest performance for over 20 years and is the number one game show in first-run syndication for the 2014/15 season to date among the key demographic of women aged 25 to 54, outperforming *Jeopardy* and *Wheel of Fortune*. *Let's Make A Deal* has also had its best performance since its launch in syndication in 2009, winning an average audience share of 7.8 per cent.

FremantleMedia's Youtube presence continued to reach new heights throughout the first nine months of 2014:
- FremantleMedia content registered 2.4 billion views in the third quarter alone (January to September 2014: 6.2 billion) and added nearly 1.5 million subscribers between July and September 2014, for a total of 18.6 million subscribers.
- FremantleMedia now has over 175 channels in 40 different territories. There were 19 new channel launches in the reporting period, including *Family Feud* in Australia, *Celebrity Name Game* (USA), and channels for *Take Me Out* versions in South Africa and Thailand.

RTL NEDERLAND

FINANCIAL RESULTS

The Dutch TV advertising market was estimated to be up 4.8 per cent year-on-year. RTL Nederland's revenue was up 4.0 per cent year-on-year at €315 million (January to September 2013: €303 million), mainly driven by higher digital distribution and advertising revenue. EBITA was up 6.9 per cent to €62 million (January to September 2013: €58 million).

	January to September 2014 €m	January to September 2013 €m	Per cent change
Revenue	315	303	+4.0
EBITA	62	58	+6.9

AUDIENCE RATINGS

During the first nine months of 2014, RTL Nederland's channels reached a combined prime-time audience share of 31.4 per cent in the target group of viewers aged 20 to 49, slightly down from 32.3 per cent in the first nine months of 2013 – mainly due to the broadcast of the Football World Cup on the public broadcasters. However, RTL Nederland's channels remained clearly ahead of the public broadcasters (27.8 per cent) and the SBS group (19.7 per cent).

RTL Nederland's flagship channel, RTL 4 scored an average audience share of 18.6 per cent in the target group of shoppers aged 20 to 49 and retained its strong position with talent shows such as *The Voice Kids* (average audience share in the key target group: 32.3 per cent), *Everybody Dance Now* (24.7 per cent) and *Alles Mag Op Vrijdag* (27.5 per cent). The channel's access prime time – with *RTL Boulevard*, *Goede Tijden, Slechte Tijden* and *RTL Nieuws* – delivered strong ratings once again.

RTL 5 achieved an audience share of 6.1 per cent in its key target group of viewers aged 20 to 34 (January to September 2013: 6.5 per cent). Popular programmes included *Expeditie Robinson* and *Adam Zoekt Eva*.

The male-skewed channel RTL 7 scored an average audience share of 6.7 per cent among male viewers aged 20 to 49 (January to September 2013: 7.6 per cent). Popular programmes included the Darts World Cup 2014 in January and the broadcasts of the Uefa Europa League.

During the first nine months of 2014, the women's channel RTL 8 attracted an average audience share of 3.6 per cent among women aged 20 to 49 (January to September 2013: 3.5 per cent). Crime series such as *CSI* franchise and *Bones* have especially improved the performance on Saturday and Sunday nights.

RTL Nederland's platforms and its partners generated a total number of video views of 513 million in the first nine months of 2014 (January to September 2014: 443 million). RTL Nederland's network of websites (without syndication partners) generated a total number of video views of 361 million in the first nine months of 2014 (January to September 2013: 395 million). Besides the news, the most popular formats were *Goede Tijden, Slechte Tijden*, *Voetbal International*, *The Voice Of Holland*, *Adam Zoekt Eva*, *VI Oranje and RTL Late Night*. The rapid growth of mobile video views is demonstrated by the fact that RTL Nederlands' mobile apps already generated 62 per cent of all online video views in 2014 (January to September 2013: 53 per cent).

RTL BELGIUM

FINANCIAL RESULTS

Against the background of a difficult TV advertising market in the first nine months of 2014, which was estimated to have decreased by 0.7 per cent year-on-year, RTL Belgium's revenue was down by 3.4 per cent to €141 million (January to September 2013: €146 million). EBITA was in line with the previous year at €29 million, reflecting cost savings in RTL Belgium's TV business during the reporting period.

	January to September 2014 €m	January to September 2013 €m	Per cent change
Revenue	141	146	(3.4)
EBITA	29	29	–

AUDIENCE RATINGS

RTL Belgium's family of TV channels maintained its position as the market leader in French-speaking Belgium with a combined prime-time audience share of 34.6 per cent among shoppers aged 18 to 54 (January to September 2013: 36.3 per cent) – despite the fact that the Football World Cup was broadcast by the competition. However, RTL Belgium's lead over the public channels remained high at 13.8 percentage points.

The flagship channel RTL-TVI recorded an audience share of 25.1 per cent in prime time (January to September 2013: 26.4 per cent), while Club RTL had an audience share of 7.0 per cent among male viewers aged 18 to 54 in prime time (January to September 2013: 7.4 per cent). Plug RTL reported a prime time audience share of 4.5 per cent among 15 to 34 year-old viewers (January to September 2013: 4.6 per cent).

According to the latest CIM audience survey, covering the period April to June 2014, Bel RTL and Radio Contact achieved audience shares of 13.7 per cent (April to June 2013: 16.8 per cent) and 15.0 per cent (April to June 2013: 14.6 per cent), respectively.

RTL RADIO (FRANCE)

FINANCIAL RESULTS

In the first nine months of 2014, the net radio advertising market in France was estimated to be down 3.1 per cent compared to the same period in 2013. Total revenue of the French RTL radio family decreased to €112 million (January to September 2013: €122 million), while EBITA was strongly down at €4 million (January to September 2013: €12 million), mainly reflecting lower advertising revenue linked to the market decrease and lower audience shares. Due to the seasonality of the radio business, the third quarter is traditionally rather weak, followed by a stronger fourth quarter.

	January to September 2014 €m	January to September 2013 €m	Per cent change
Revenue	112	122	(8.2)
EBITA	4	12	(66.7)

AUDIENCE RATINGS

In the latest audience survey by Médiamétrie, for the period July to August 2014, the French RTL radio family maintained its market leadership. With a combined audience share of 17.6 per cent (July to August 2013: 18.2 per cent), the business unit's three stations – RTL, RTL 2 and Fun Radio – continued to lead over their main commercial competitors, the radio family of NRJ (15.6 per cent).

RTL Radio in France remained the country's number one radio station: in the latest audience survey, the station ranked first with an audience share of 10.8 per cent (July to August 2013: 11.7 per cent). Fun Radio registered an audience share of 4.2 per cent (July to August 2013: 3.7 per cent), while RTL 2 had a share of 2.6 per cent (July to August 2013: 2.8 per cent).

OTHER SEGMENTS

This segment comprises the fully consolidated businesses RTL Klub (Hungary), RTL Hrvatska (Croatia), RTL Group's Luxembourgish activities, the German radio business, and the Spanish investment accounted for using the equity method Atresmedia in Spain.

RTL Hungary: The Hungarian net TV advertising market grew by an estimated 2.9 per cent in the first nine months of 2014. Total consolidated revenue of RTL Hungary was up to €68 million (January to September 2013: €67 million).

Due to the impact of the new advertising tax, RTL Group has been forced to impair its total goodwill on RTL Hungary. In addition, RTL Group also had to impair a number of assets under IFRS rules. Specific impairments recorded against the EBITA of RTL Hungary amounted to €2 million. Despite these impairments, RTL Hungary reported an EBITA of €6 million (January to September 2013: €8 million).

The combined prime-time audience share of the RTL family of channels in the key demographic of 18 to 49-year-old viewers was 35.9 per cent (January to September 2013: 37.5 per cent). The prime-time audience share of **RTL Klub** decreased to 19.9 per cent (January to September 2013: 23.3 per cent). However, the profit centre's flagship channel remained the clear market leader, 5.1 percentage points ahead of its main commercial competitor TV2 (January to September 2013: 7.4 percentage points). RTL Hungary's cable channels achieved a combined prime-time audience share of 16.1 per cent among young viewers (January to September 2013: 14.2 per cent).

RTL Hrvatska: In Croatia, the advertising market was estimated to be up 6.1 per cent. Total revenue of RTL Hrvatska was stable at €23 million, with EBITA also stable at minus €1 million.

RTL Hrvatska's channels achieved a combined prime-time audience share of 25.1 per cent in the target group of viewers aged 18 to 49 (January to September 2013: 27.5 per cent) – this decrease was mainly due to on-going fragmentation of the market and the impact of the Football World Cup.

The flagship channel **RTL Televizija** recorded a prime-time audience share of 17.8 per cent (January to September 2013: 20.4 per cent), while **RTL 2** recorded a prime-time audience share of 6.2 per cent (January to September 2013: 7.1 per cent). The newly launched children's channel **RTL Kockica** achieved an average audience share of 18.0 per cent among children aged 4 to 14 in the time between 7:00 and 20:00.

Atresmeda in Spain: The Spanish TV advertising increased by an estimated 9.9 per cent during the first nine months of 2014. Despite the decision of the Spanish Supreme Court to close down a total of nine Spanish DTT channels in May, of which three were operated by Atresmedia, the Atresmedia family of channels achieved a combined audience share of 30.3 per cent in the key commercial target group of viewers aged 16 to 54 years (January to September 2013: 30.7 per cent). The main channel, Antena 3, recorded an audience share of 13.7 per cent (January to September 2013: 13.0 per cent) in the commercial target group.

On a 100 per cent basis, consolidated revenue of Atresmedia was up 7.8 per cent to €626 million (January to September 2013: €581 million), while operating profit (EBITDA) almost doubled to €84 million (January to September 2013: €45 million) and net profit rose by 66.7 per cent to €47 million (January to September: €28 million). The profit share of RTL Group was €9 million (January to September 2013: €7 million).

RTL Radio Deutschland reported almost stable revenue of €36 million in the first nine months of 2014 (January to September 2013: €37 million). EBITA amounted to €4 million (January to September 2013: €6 million).

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

For the periods to 30 September

	Three months ending 30 September		Nine months ending 30 September	
	2014 **€m**	2013 restated €m	**2014** **€m**	2013 restated €m
Revenue	**1,259**	1,257	**3,946**	4,012
Other operating income	**7**	10	**25**	25
Consumption of current programme rights	**(441)**	(444)	**(1,293)**	(1,303)
Depreciation, amortisation and impairment	**(48)**	(38)	**(144)**	(125)
Other operating expenses	**(623)**	(632)	**(1,884)**	(1,923)
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	**(1)**	(2)	**(101)**	(7)
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	**–**	4	**2**	5
Profit from operating activities	**153**	155	**551**	684
Share of results of investments accounted for using the equity method	**6**	8	**30**	99
Earnings before interest and taxes (“EBIT”)	**159**	163	**581**	783
Interest income	**2**	2	**6**	7
Interest expense	**(8)**	(9)	**(26)**	(20)
Financial results other than interest	**(3)**	18	**(4)**	29
Profit before taxes	**150**	174	**557**	799
Income tax expense	**(37)**	(48)	**(197)**	(206)
Profit for the period	**113**	126	**360**	593
Attributable to:				
RTL Group shareholders	**104**	117	**306**	535
Non-controlling interests	**9**	9	**54**	58
Profit for the period	**113**	126	**360**	593
EBITA[20]	**160**	161	**679**	713
Impairment of goodwill of subsidiaries	**–**	–	**(88)**	–
Reversal of impairment of investments accounted for using the equity method	**–**	–	**–**	72
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	**(1)**	(2)	**(13)**	(7)
Re-measurement of earn-out arrangements	**–**	–	**1**	–
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	**–**	4	**2**	5
Earnings before interest and taxes (“EBIT”)	**159**	163	**581**	783
Earnings per share (in €)				
– Basic	**0.68**	0.76	**2.00**	3.48
– Diluted	**0.68**	0.76	**2.00**	3.48

20 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

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the periods to 30 September

	Note	Three months ending 30 September 2014 €m	Three months ending 30 September 2013 €m	Nine months ending 30 September 2014 €m	Nine months ending 30 September 2013 €m
Profit for the period		**113**	126	**360**	593
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Re-measurement of post-employment benefit obligations	10.	**(16)**	5	**(42)**	8
Income tax		**4**	(1)	**9**	(2)
		(12)	4	**(33)**	6
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences		**12**	(7)	**9**	(17)
Effective portion of changes in fair value of cash flow hedges		**48**	(23)	**54**	(17)
Income tax		**(15)**	6	**(16)**	5
		33	(17)	**38**	(12)
Change in fair value of cash flow hedges transferred to profit or loss		**(1)**	(6)	**(1)**	(13)
Income tax		**1**	2	**1**	4
		–	(4)	**–**	(9)
Fair value gains/(losses) on available-for-sale financial assets		**–**	14	**(5)**	25
Income tax		**–**	–	**–**	(2)
		–	14	**(5)**	23
		45	(14)	**42**	(15)
Other comprehensive income/(loss) for the period, net of income tax		**33**	(10)	**9**	(9)
Total comprehensive income for the period		**146**	116	**369**	584
Attributable to:					
RTL Group shareholders		**137**	107	**316**	526
Non-controlling interests		**9**	9	**53**	58
Total comprehensive income for the period		**146**	116	**369**	584

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Notes	30 September 2014 €m	31 December 2013 restated €m	As at 1 January 2013 restated €m
Non-current assets				
Programme and other rights		**106**	109	119
Goodwill		**2,759**	2,707	2,678
Other intangible assets		**184**	198	202
Property, plant and equipment		**325**	331	346
Investments accounted for using the equity method	8.	**360**	359	273
Loans and other financial assets		**111**	142	240
Deferred tax assets		**353**	389	375
		4,198	4,235	4,233
Current assets				
Programme rights		**1,172**	955	902
Other inventories		**20**	15	30
Income tax receivable		**55**	42	86
Accounts receivable and other financial assets	14.	**1,488**	1,721	1,995
Cash and cash equivalents		**321**	542	621
		3,056	3,275	3,634
Assets classified as held for sale	9.	**3**	27	3
Current liabilities				
Loans and bank overdrafts		**747**	36	16
Income tax payable		**33**	90	77
Accounts payable	14.	**2,284**	2,513	2,132
Provisions		**129**	194	220
		3,193	2,833	2,445
Liabilities directly associated with non-current assets classified as held for sale	9.	**–**	24	–
Net current assets		**(134)**	445	1,192
Non-current liabilities				
Loans	14.	**524**	529	12
Accounts payable		**366**	331	319
Provisions		**238**	169	174
Deferred tax liabilities		**53**	58	62
		1,181	1,087	567
Net assets		**2,883**	3,593	4,858
Equity attributable to RTL Group shareholders		**2,467**	3,159	4,366
Equity attributable to non-controlling interests		**416**	434	492
Equity		**2,883**	3,593	4,858

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the periods to 30 September

	Notes	Share capital €m	Treasury shares €m	Currency translation reserve €m	Hedging reserve €m	Revaluation reserve €m	Reserves and retained earnings €m	Equity attributable to RTL Group shareholders €m	Equity attributable to non-controlling interests €m	**Total equity €m**
Balance at 1 January 2013		**192**	**(44)**	**(142)**	**21**	**96**	**4,243**	**4,366**	**492**	**4,858**
Total comprehensive income:										
Profit for the period		–	–	–	–	–	535	535	58	**593**
Foreign currency translation differences		–	–	(16)	–	–	–	(16)	(1)	**(17)**
Effective portion of changes in fair value of cash flow hedges, net of tax		–	–	–	(11)	–	–	(11)	(1)	**(12)**
Change in fair value of cash flow hedges transferred to profit and loss, net of tax		–	–	–	(9)	–	–	(9)	–	**(9)**
Fair value gains/(losses) on available-for-sale financial assets, net of tax		–	–	–	–	22	–	22	1	**23**
Re-measurement of post-employment benefit obligations, net of tax		–	–	–	–	–	5	5	1	**6**
		–	–	(16)	(20)	22	540	526	58	**584**
Capital transactions with owners:										
Dividends		–	–	–	–	–	(1,998)	(1,998)	(137)	**(2,135)**
Equity-settled transactions net of tax		–	–	–	–	–	1	1	2	**3**
Transactions on non-controlling interests without a change in control		–	–	–	–	–	(5)	(5)	1	**(4)**
Transactions on non-controlling interests with a change in control		–	–	–	–	–	–	–	4	**4**
Derivatives on equity instruments		–	–	–	–	–	1	1	1	**2**
		–	–	–	–	–	(2,001)	(2,001)	(129)	**(2,130)**
Balance at 30 September 2013		**192**	**(44)**	**(158)**	**1**	**118**	**2,782**	**2,891**	**421**	**3,312**
Balance at 1 January 2014		**192**	**(44)**	**(168)**	**(8)**	**85**	**3,102**	**3,159**	**434**	**3,593**
Total comprehensive income:										
Profit for the period		–	–	–	–	–	306	306	54	**360**
Foreign currency translation differences		–	–	9	–	–	–	9	–	**9**
Effective portion of changes in fair value of cash flow hedges, net of tax		–	–	–	38	–	–	38	–	**38**
Change in fair value of cash flow hedges transferred to profit and loss, net of tax		–	–	–	–	–	–	–	–	**–**
Fair value gains/(losses) on available-for-sale financial assets, net of tax		–	–	–	–	(5)	–	(5)	–	**(5)**
Re-measurement of post-employment benefit obligations, net of tax	10.	–	–	–	–	–	(32)	(32)	(1)	**(33)**
		–	–	9	38	(5)	274	316	53	**369**
Capital transactions with owners:										
Dividends		–	–	–	–	–	(999)	(999)	(72)	**(1,071)**
Equity-settled transactions net of tax		–	–	–	–	–	3	3	2	**5**
Acquisition of treasury shares	13.	–	(7)	–	–	–	–	(7)	–	**(7)**
Transactions on non-controlling interests without a change in control	6. 1.	–	–	–	–	–	1	1	4	**5**
Transactions on non-controlling interests with a change in control		–	–	–	–	–	(16)	(16)	(2)	**(18)**
Derivatives on equity instruments		–	–	–	–	–	(2)	(2)	(3)	**(5)**
Transactions on treasury shares of associates		–	–	–	–	–	12	12	–	**12**
		–	(7)	–	–	–	(1,001)	(1,008)	(71)	**(1,079)**
Balance at 30 September 2014		**192**	**(51)**	**(159)**	**30**	**80**	**2,375**	**2,467**	**416**	**2,883**

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

For the periods to 30 September

	Three months ending 30 September		Nine months ending 30 September	
	2014 €m	2013 restated €m	2014 €m	2013 restated €m
Cash flows from operating activities				
Profit before taxes	150	174	557	799
Adjustments for:				
– Depreciation and amortisation	46	39	143	125
– Value adjustments, impairment and provisions	7	4	143	44
– Equity-settled share-based payments expenses	2	1	5	3
– Gain on disposal of assets	(4)	(12)	(7)	(18)
– Financial results including net interest expense and share of results of investments accounted for using the equity method	4	(23)	22	(73)
Use of provisions	(24)	(27)	(74)	(68)
Working capital changes	(11)	3	(76)	72
Income taxes paid	(135)	(48)	(277)	(178)
Net cash from operating activities	35	111	436	706
Cash flows from investing activities				
Acquisitions of:				
– Programme and other rights	(27)	(23)	(78)	(54)
– Subsidiaries, net of cash acquired	(107)	(7)	(130)	(71)
– Other intangible and tangible assets	(26)	(21)	(63)	(54)
– Other investments and financial assets	(1)	(4)	(23)	(19)
Current deposit with shareholder	–	–	(75)	–
	(161)	(55)	(369)	(198)
Proceeds from the sale of intangible and tangible assets	4	7	14	22
Disposal of other subsidiaries, net of cash disposed of	–	1	–	–
Proceeds from the sale of investments accounted for using the equity method, other investments and financial assets	–	106	4	112
Current deposit with shareholder	–	–	75	426
Interest received	2	3	5	24
	6	117	98	584
Net cash from/(used in) investing activities	(155)	62	(271)	386
Cash flows from financing activities				
Interest paid	(1)	(1)	(26)	(2)
Transactions with non-controlling interests	(1)	(4)	–	(3)
Acquisition of treasury shares	(4)	–	(7)	–
Term loan facility due to shareholder	441	300	713	800
Proceeds from loans	–	(9)	8	–
Repayment of loans	(3)	(1)	(7)	(4)
Dividends paid	(321)	(391)	(1,071)	(2,137)
Net cash from/(used) in financing activities	111	(106)	(390)	(1,346)
Net increase/(decrease) in cash and cash equivalents	(9)	67	(225)	(254)
Cash and cash equivalents and bank overdrafts at beginning of period	327	293	540	616
Effect of exchange rate fluctuation on cash held	–	(1)	3	(3)
Cash and cash equivalents and bank overdrafts at end of period	318	359	318	359

The accompanying notes form an integral part of this condensed consolidated interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. REPORTING ENTITY AND STATEMENT OF COMPLIANCE

RTL Group SA (the "Company"), the parent company, is domiciled and incorporated in Luxembourg. This condensed consolidated interim financial information is presented in accordance with the requirements of IAS 34 Interim Financial Reporting as adopted by the European Union and should be read in conjunction with the consolidated annual financial statements for the year ended 31 December 2013.

RTL Group ("the Group") forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group will be able to operate within the level of its current facilities. The Management have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Therefore RTL Group continues to adopt the going concern basis in preparing its condensed consolidated interim financial information.

This condensed consolidated interim financial information was approved on 12 November 2014 by the Audit Committee upon delegation granted by the Board of Directors.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been consistently applied by the Group entities and are consistent with those used in previous year, except as follows:

a. New and amended standards and interpretations adopted by the Group

The following standards, amendments to standards and new interpretations are mandatory for the first time for the financial period beginning 1 January 2014:

- IAS 27, "Separate financial statements" (revised 2011)[21];
- IAS 28, "Associates and joint ventures" (revised 2011)[21];
- IAS 32 (amendments), "Financial instruments: presentation – offsetting financial assets and financial liabilities"[21];

21 The application of these standards, interpretations and amendments had no significant impact for the Group.

- IAS 39 (amendments), "Financial instruments: recognition and measurement"[22];
- IFRS 10, "Consolidated financial statements". Under IFRS 10, subsidiaries are all entities including structured entities over which the Group has control. The Group controls an entity when the Group has power over an entity, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect these returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The Group has reassessed the control over its investees in the light of the provisions of IFRS 10 and concluded that no change was necessary[22];
- IFRS 11, "Joint arrangements". Under IFRS 11, investments in joint arrangements are classified either as joint operations or joint ventures, depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. The Group has assessed the nature of its joint arrangements and determined that all are joints ventures. The Group's joint arrangements which were previously included by proportionate consolidation, are now classified as joint ventures under IFRS 11 and are therefore accounted for using the equity method in accordance with the provisions of the amended IAS 28, "Associates and Joint ventures". The change affected several financial statement line items resulting in decreasing revenue and expenses, assets and liabilities. Nevertheless, profit for the period and equity were unchanged. Even though not significant for the Group, the financial effects of the change in accounting policies on the financial statement are presented in note 15;
- IFRS 12, "Disclosures of interests in other entities" includes the disclosure requirements for all forms of interests in other entities including joint arrangements, associates, and unconsolidated structured entities. The Group will make full disclosure accordingly at year-end;
- IFRIC 21, "Levies"[22].

b. Standards and amendments to existing standards that are not yet effective and have not been early adopted by the Group

The following new standards and amendments have been published but are not effective for the Group's accounting period beginning on 1 January 2014. The Group has yet to assess the impact of the new standards and amendments:

- IAS 19 revised, "Employee benefits", on defined benefit plans – effective from 1 July 2014[23];
- Amendments to IAS 16, "Property, plant and equipment" and IAS 38, "Intangible assets" on depreciation and amortisation and IAS 16, "Property, plant and equipment" and IAS 41, "Agriculture" related to accounting for bearer plants – effective from 1 January 2016. In the first amendment, the IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. However, past the headline is a rebuttable presumption, and revenue-based amortisation is permitted when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated[23];
- Amendment to IAS 27, "Separate financial statements", on equity method on separate financial statements – effective from 1 January 2016[23];
- Amendments to IFRS 10, "Consolidated financial statements" and IAS 28, "Investments in associates and joint ventures", on sale or contribution of assets between an investor and its associate of joint venture – effective from 1 January 2016[23];
- Amendment to IFRS 11, "Joint arrangements" on the accounting for the acquisition of an interest in a joint operation that constitutes a business – effective from 1 January 2016[23];
- Annual improvements 2010–2012 and 2011-2013 – effective from 1 July 2014[23];
- Annual improvements 2012-2014 – effective from 1 January 2016[23];
- IFRS 9, "Financial instruments" – effective from 1 January 2018. The IASB has published the complete version of IFRS 9 which replaces the guidance in IAS 39. This final version includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the incurred loss impairment model used today[23];
- IFRS 14, "Regulatory deferral accounts" – effective from 1 January 2016[23];
- IFRS 15, "Revenue from contracts with customers" applies to all contracts with customers except those that are financial instruments, leases or insurance contracts and introduces a five-step process that the Group will have to follow. The new Standard goes beyond just "commercial effect", "fair value" and "risk and rewards" and will also result in a significant increase in the volume of disclosures related to revenue. IFRS 15 will be applicable for reporting periods beginning on or after 1 January 2017[23].

22 The application of these standards, interpretations and amendments had no significant impact for the Group.
23 These standards and interpretations have not been yet endorsed by the European Union.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. RTL Group management review on a regular basis the expected settlement of the provisions.

In preparing these condensed consolidated interim financial information, the significant judgements made by the Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2013.

An amount of €9 million related to the new RTL Group long-term incentive plan ("LTIP") 2014-2016 has been estimated and accrued for the nine months ended 30 September 2014 (€11 million for the same period in 2013); the final terms of the plan were approved by the Nomination and Compensation Committee on 20 August 2014.

Consolidation of entities in which the Group holds less than 50 per cent

Even though it has less than 50 per cent of the voting rights, management consider that the Group has de facto control of Groupe M6. The Group is the majority shareholder of Groupe M6 while the balance of other holdings remains highly dispersed and the other shareholders have not organised their interest in such a way that they intend to vote differently from the Group.

4. FINANCIAL RISK MANAGEMENT

4. 1.

Financial risks factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. Compared to 31 December 2013, the Group has drawn down an additional amount of €713 million from its majority shareholder (see note 14.).

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual financial statements as at 31 December 2013. There have been no changes in the risk management policies and organisation since year end.

4. 2. Accounting classifications and fair value hierarchy

4. 2. 1. Financial instruments by category

Except as discussed below, the fair value of each class of financial assets and liabilities approximate their carrying amount. The fair value of the 10-year-term facility – calculated as the present value of the payments associated with the debt and based on the applicable yield curve and RTL Group credit spread – amounts to €535 million. This is a Level 2 fair value measurement.

4. 2. 2. Fair value hierarchy

The following table presents the Group's financial assets and liabilities measured at fair value.

The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets (or liabilities);
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or the liability that are not based on observable market data (unobservable inputs).

	Total €m	Level 1 €m	Level 2 €m	Level 3 €m
Assets				
Available-for-sale investments	**65**	14	–	51
Derivatives used for hedging	**68**	–	68	–
At 30 September 2014	**133**	**14**	**68**	**51**
Liabilities				
Derivatives used for hedging	**17**	–	17	–
At 30 September 2014	**17**	**–**	**17**	**–**

There were no transfers between Levels 1, 2 and 3 during the period.

	Total €m	Level 1 €m	Level 2 €m	Level 3 €m
Assets				
Financial assets at fair value through profit or loss	**40**	–	40	–
Available-for-sale-investments	**153**	20	66	67
Derivatives used for hedging	**25**	–	25	–
At 30 September 2013	**218**	**20**	**131**	**67**
Liabilities				
Derivatives used for hedging	**29**	–	29	–
At 30 September 2013	**29**	**–**	**29**	**–**

There were no transfers between Levels 1, 2 and 3 during the period.

The fair value of financial instruments traded in active markets are based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1. The quoted market price used for financial assets by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments (Level 2);
- The fair value of forward foreign exchange contracts classified under Level 2 are determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value;
- For instruments classified under Level 3, other techniques, such as discounted cash flow analysis, based on significant unobservable inputs (e.g. forecast revenue growth rate (2 per cent) and market multiple (9-11)), are used to determine fair value for the remaining financial instruments.

There was no change in Level 3 instruments for the period ended 30 September 2014.

5. SEGMENT REPORTING

Three months ending 30 September	Mediengruppe RTL Deutschland 2014 €m	Mediengruppe RTL Deutschland 2013 restated €m	Groupe M6 2014 €m	Groupe M6 2013 restated €m
Revenue from external customers	**440**	408	**265**	290
Inter–segment revenue	**1**	1	**–**	1
Total revenue	**441**	409	**265**	291
Profit/(loss) from operating activities	**100**	89	**30**	26
Share of results of investments accounted for using the equity method	**5**	6	**–**	–
EBIT	**105**	95	**30**	26
EBITA	**105**	92	**31**	27
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	**–**	(1)	**(1)**	(1)
Gain/(loss) from sale of subsidiaries, other investments and re–measurement to fair value of pre–existing interest in acquiree	**–**	4	**–**	–
EBIT	**105**	95	**30**	26
Interest income				
Interest expense				
Financial results other than interest				
Income tax expense				
Profit for the period				

Nine months ending 30 September	2014 €m	2013 restated €m	2014 €m	2013 restated €m
Revenue from external customers	**1,366**	1,334	**930**	979
Inter–segment revenue	**2**	2	**5**	6
Total revenue	**1,368**	1,336	**935**	985
Profit/(loss) from operating activities	**398**	384	**142**	149
Share of results of investments accounted for using the equity method	**19**	17	**–**	–
EBIT	**417**	401	**142**	149
EBITA	**418**	398	**144**	154
Impairment of goodwill of subsidiaries	**–**	–	**–**	–
Reversal of impairment of investments accounted for using the equity method	**–**	–	**–**	–
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	**–**	(1)	**(3)**	(5)
Re–measurement of earn–out arrangements	**(1)**	–	**–**	–
Gain/(loss) from sale of subsidiaries, other investments and re–measurement to fair value of pre–existing interest in acquiree	**–**	4	**1**	–
EBIT	**417**	401	**142**	149
Interest income				
Interest expense				
Financial results other than interest				
Income tax expense				
Profit for the period				

FremantleMedia		RTL Nederland		RTL Belgium		RTL Radio (France)		Other Segments		Eliminations		Total Group	
2014 €m	2013 restated €m	2014 €m	2013 restated €m	2014 €m	2013 restated €m	2014 €m	2013 restated €m	2014 €m	2013 restated €m	2014 €m	2013 restated €m	2014 €m	2013 restated €m
328	325	91	93	39	40	31	36	65	65	–	–	1,259	1,257
31	38	–	–	–	1	1	–	10	9	(43)	(50)	–	–
359	363	91	93	39	41	32	36	75	74	(43)	(50)	1,259	1,257
25	30	19	20	3	4	(3)	(1)	(21)	(13)	–	–	153	155
–	–	(1)	–	–	–	–	–	2	2	–	–	6	8
25	30	18	20	3	4	(3)	(1)	(19)	(11)	–	–	159	163
25	30	18	20	3	4	(3)	(1)	(19)	(11)	–	–	160	161
–	–	–	–	–	–	–	–	–	–	–	–	(1)	(2)
–	–	–	–	–	–	–	–	–	–	–	–	–	4
25	30	18	20	3	4	(3)	(1)	(19)	(11)	–	–	159	163
												2	2
												(8)	(9)
												(3)	18
												(37)	(48)
												113	126

2014 €m	2013 restated €m	2014 €m	2013 restated €m	2014 €m	2013 restated €m	2014 €m	2013 restated €m	2014 €m	2013 restated €m	2014 €m	2013 restated €m	2014 €m	2013 restated €m
884	924	315	303	140	145	110	120	201	207	–	–	3,946	4,012
98	105	–	–	1	1	2	2	28	28	(136)	(144)	–	–
982	1,029	315	303	141	146	112	122	229	235	(136)	(144)	3,946	4,012
44	75	62	58	30	29	4	12	(129)	(23)	–	–	551	684
2	2	–	–	–	–	–	–	9	80	–	–	30	99
46	77	62	58	30	29	4	12	(120)	57	–	–	581	783
54	77	62	58	29	29	4	12	(32)	(15)	–	–	679	713
(9)	–	–	–	–	–	–	–	(79)	–	–	–	(88)	–
–	–	–	–	–	–	–	–	–	72	–	–	–	72
–	–	–	–	–	–	–	–	(10)	(1)	–	–	(13)	(7)
1	–	–	–	–	–	–	–	1	–	–	–	1	–
–	–	–	–	1	–	–	–	–	1	–	–	2	5
46	77	62	58	30	29	4	12	(120)	57	–	–	581	783
												6	7
												(26)	(20)
												(4)	29
												(197)	(206)
												360	593

	Mediengruppe RTL Deutschland		Groupe M6	
	September 2014 **€m**	December 2013 restated €m	**September 2014** **€m**	December 2013 restated €m
Segment assets (assets classified as held for sale and investments accounted for using the equity method excluded)	**1,539**	1,494	**1,481**	1,416
Investments accounted for using the equity method	**61**	76	**3**	2
Assets classified as held for sale	**–**	–	**–**	22
Segment assets	**1,600**	1,570	**1,484**	1,440
Segment liabilities (liabilities directly associated with non-current assets classified as held for sale excluded)	**933**	872	**620**	633
Liabilities directly associated with non-current assets classified as held for sale	**–**	–	**–**	24
Segment liabilities	**933**	872	**620**	657
Invested capital	**667**	698	**864**	783
Segment assets				
Deferred tax assets				
Income tax receivable				
Other assets[24]				
Cash and cash equivalents				
Total Assets				
Segment liabilities				
Deferred tax assets				
Income tax payable				
Other liabilities				
Total liabilities				

24 Including cash and cash equivalents classified as held for sale

FremantleMedia		RTL Nederland		RTL Belgium		RTL Radio (France)		Other Segments		Eliminations		Total Group	
September 2014 €m	December 2013 restated €m	**September 2014 €m**	December 2013 restated €m	**September 2014 €m**	December 2013 restated €m	**September 2014 €m**	December 2013 restated €m	**September 2014 €m**	December 2013 restated €m	**September 2014 €m**	December 2013 restated €m	**September 2014 €m**	December 2013 restated €m
1,769	1,755	**401**	390	**167**	167	**149**	167	**438**	416	**(119)**	(123)	**5,825**	5,682
5	–	**5**	4	**–**	–	**–**	–	**286**	277	**–**	–	**360**	359
–	–	**–**	–	**–**	–	**–**	–	**3**	–	**–**	–	**3**	22
1,774	1,755	**406**	394	**167**	167	**149**	167	**727**	693	**(119)**	(123)	**6,188**	6,063
488	496	**126**	144	**106**	115	**59**	68	**297**	304	**(119)**	(123)	**2,510**	2,509
–	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	24
488	496	**126**	144	**106**	115	**59**	68	**297**	304	**(119)**	(123)	**2,510**	2,533
1,286	1,259	**280**	250	**61**	52	**90**	99	**430**	389	**–**	–	**3,678**	3,530
												6,188	6,063
												353	389
												55	42
												340	501
												321	542
												7,257	7,537
												2,510	2,533
												53	58
												33	90
												1,778	1,263
												4,374	3,944

6. ACQUISITIONS AND DISPOSALS

6. 1.
Acquisitions

Details of the main acquisitions in the period are set out below. Had the business combinations been effective at the beginning of the year, the revenue and the profit attributable to RTL Group would not have materially changed.

2014

Best of TV

On 7 January 2014, Groupe M6 acquired 51 per cent of Best of TV SAS and Best of TV Benelux SPRL ("Best of TV"). Best of TV has developed a leading position in France in distributing infomercial and teleshopping products through major French retail chains. This acquisition enables Groupe M6 to strengthen the position of its subsidiary, Home Shopping Service, in the home shopping and infomercial business. Best of TV is allocated to Groupe M6 cash generating unit. The transaction qualified as a business combination since RTL Group gained the control of Best of TV. The purchase consideration amounted to €9 million, net of cash acquired, and resulted in the recognition of a provisional goodwill of €8 million. Goodwill in connection with the transaction will not be tax deductible. The remaining 49 per cent interest is subject to put and call options based on the fair value of the entity at the exercise date between 2017 and 2025. The amount of the option is capped at €19 million. The put option has been recognised through equity as a liability for the present value of the redemption amount of €16 million.

	2014 €m
Cash and cash equivalents	3
Other inventories	3
Accounts receivable and other financial assets	7
Accounts payable	(3)
Loans	(2)
Non-controlling interests	(4)
Net assets acquired	**4**
Goodwill	8
Total purchase consideration	**12**
Deferred consideration	(5)
Cash and cash equivalents in operations acquired	(3)
Cash outflow on acquisition	**4**

495 Productions

On 26 March 2014, RTL Group acquired 75 per cent of 495 Productions Holdings LLC and its 100 per cent affiliates ("495 Productions"). 495 Productions is a US-based production entity specialising in unscripted, female-skewed docu-series for cable networks. This acquisition enables FremantleMedia to expand and diversify its core TV production business internationally. 495 Productions is allocated to the FremantleMedia cash generating unit. The transaction qualified as a business combination since RTL Group gained the control of 495 Productions. The purchase consideration amounted to €18 million, net of cash acquired. This resulted in the recognition of a provisional goodwill of €20 million. Goodwill in connection with the transaction will be tax deductible. The remaining 25 per cent interest is subject to put and call options based on a performance-related component. The put option has been recognised through equity as a liability for the present value of the redemption amount of €7 million.

	2014 €m
Cash and cash equivalents	2
Current programme rights	10
Accounts receivable and other financial assets	1
Accounts payable	(13)
Net assets acquired	**–**
Goodwill	20
Total purchase consideration	**20**
Cash and cash equivalents in operations acquired	(2)
Cash outflow on acquisition	**18**

SpotXchange

On 1 September 2014, RTL Group acquired 70.79 per cent of SpotXchange Inc. (65.21 per cent on a fully diluted per share basis) and its 100 per cent affiliates ("SpotXchange"). SpotXchange is a leading programmatic video advertising platform. With the acquisition of SpotXchange, RTL Group enters a significantly growing, but still evolving, market and further enhances its global position in online video, especially with regard to monetisation skills and technological competencies. Thus, the investment supports the digital transformation of RTL Group. The transaction qualified as a business combination since RTL Group gained the control over SpotXchange.

The purchase consideration, partly contributed to SpotXchange Inc., amounts to €105 million, net of cash acquired and contingent on a cash-and-debt free position adjusted for normalised working capital, resulted in the recognition of a provisional goodwill of €99 million. At 30 September 2014, the contingent consideration based on a variable performance component that includes an earn-out mechanism up to a maximum and undiscounted amount of €21 million, has been estimated and recognised for nil. The goodwill arising from the acquisition will not be tax deductible. RTL Group holds a call option for the remaining non-controlling interests exercisable in 2017. The strike price is based on two variable components and is not capped. The expected exercise price of the call option is USD 169 million. Further, the deal terms include a capped put option against RTL Group. However, the exercise of the put option is in the full control of RTL Group. The transaction related costs amount to €3.9 million, mainly consisting of legal fees and due diligence costs reported in "Other operating expenses".

	2014 €m
Cash and cash equivalents	3
Property, plant and eqipment	3
Deferred tax assets	5
Accounts receivable and other financial assets	32
Accounts payable	(29)
Loans	(1)
Non-controlling interests	(4)
Net assets acquired	**9**
Goodwill	99
Total purchase consideration	**108**
Cash and cash equivalents in operations acquired	(3)
Cash outflow on acquisition	**105**

Other acquisitions and disposals, increases in interest held in subsidiaries

- The purchase accounting related to Miso Film was finalised in 2014 and did not lead to the recognition of additional identifiable assets and liabilities. The goodwill represents the business's growth and synergy potential, and the expertise of Miso Film workforce;
- The put option on Ludia Inc of 3.1 per cent concluded on 1 October 2010 at the time of the acquisition has been exercised and paid by RTL Group for an amount of €1 million. The remaining options (6.6 per cent) are expected to be exercised during the last quarter 2014 and the first quarter 2015;
- The contingent liability related to the earn-out arrangement on Smart Shopping and Saving GmbH, acquired on 2 January 2012, was paid in 2014 for €0.7 million (September 2013: €0.5 million) after re-measurement of €1 million recognised in "Other operating income".

2013 (updated at 30 September 2014)

BroadbandTV

On 20 June 2013, RTL Group acquired 57.5 per cent of BroadbandTV Corp. (51 per cent on a fully diluted per share basis). BroadbandTV is the third largest multi-channel network on Youtube. The transaction accelerated RTL Group's expansion strategy in the online video market, especially in the new generation of video channels, networks and aggregators distributed via internet and requiring the ability to aggregate, manage and monetise audiences across a large number of channels. The transaction qualified as a business combination since RTL Group gained the control of BroadbandTV.

The purchase consideration, partly contributed to BroadbandTV, amounted to €23 million, net of cash acquired and resulted in the recognition of a goodwill of €22 million. At 31 December 2013, the contingent consideration based on a variable performance component that included earn-out mechanisms up to a maximum and undiscounted amount of €11 million, had been recognised for €2 million and re-measured at 30 June 2014 to €0.3 million. The related impact is reported in "Other operating income". This was a Level 3 fair value measurement at initial recognition. The goodwill arising from the acquisition was not tax deductible. The transaction related costs amounting to €1.5 million, mainly consisting of legal fees and due diligence costs, were reported in "Other operating expenses".

	2013 Carrying amount at date of gain of control €m	2013 Incremental value €m	2013 Fair value at date of gain of control €m
Cash and cash equivalents	7	–	7
Other intangible assets	1	2	3
Accounts receivable and other financial assets	5	–	5
Accounts payable	(2)	–	(2)
Deferred tax liabilities	–	(1)	(1)
Non-controlling interests	(4)	–	(4)
Net assets acquired	7	1	8
Goodwill			22
Total purchase consideration			30
Contingent consideration			(2)
Cash and cash equivalents in operations acquired			(7)
Cash outflow on acquisition			21

The Entertainment Group

On 22 July 2013, RTL Group acquired 65 per cent of The Entertainment Group ("TEG"), the number one Transaction Video-On-Demand company in the Netherlands. TEG, under the brand name Videoland, complements RTL Nederland's offer of non-linear video viewing. The remaining 35 per cent interest is subject to a put/call option based on a variable component. The fair value of the put option has been recognised as a liability. This was a Level 3 fair value measurement at initial recognition.

The transaction qualified as a business combination since RTL Group gained the control of TEG for a consideration, net of cash acquired, of €13 million. The purchase accounting did not lead to recognition of additional identifiable assets and liabilities.

The transaction resulted in the recognition of a goodwill of €13 million. At 31 December 2013, contingent consideration had been recognised for €6 million and was re-measured in 2014 to €3 million. Goodwill in connection with this transaction was not tax deductible. The acquisition-related costs of €0.2 million, mainly consisting of legal fees and due diligence costs, were reported in "Other operating expenses".

	2013 €m
Cash and cash equivalents	1
Accounts receivable and other financial assets	4
Accounts payable	(4)
Net assets acquired	1
Goodwill	13
Total purchase consideration	14
Deferred consideration	(6)
Cash and cash equivalents in operations acquired	(1)
Cash outflow on acquisition	7

Other acquisitions and disposals, increases in interest held in subsidiaries

- On 18 April 2013, RTL Group acquired 20 per cent of FutureWhiz Media BV through a contribution to the share capital and share premium and an airtime contribution. The company manages a subscription based educational online platform in the Netherlands, Squla. The acquisition was in line with the strategy of the Group to expand online. Jointly controlled, the company was proportionately consolidated and is accounted for using the equity method in accordance with IFRS 11. The purchase consideration amounted to €1.5 million, net of cash acquired. The purchase accounting did not lead to the recognition of additional identifiable assets and liabilities. The transaction resulted in the recognition of a goodwill of €2 million;

- The full amount of the earn-out mechanism granted to the sellers of Original FMM LLC (Original Productions) on 20 February 2009 was paid by RTL Group in January 2013 for an amount of €38 million;
- The put option on Ludia Inc of 9.5 per cent concluded on 1 October 2010 at the time of the acquisition was exercised and paid by RTL Group for an amount of €4.5 million.

6. 2.

Assets and liabilities acquired

Detail of the net assets acquired and goodwill are as follows:

	2014 €m
Purchase consideration:	
– Cash paid	138
– Payments on prior years' acquisitions	(3)
– Deferred consideration	5
Total purchase consideration	**140**
Less:	
Fair value of net assets acquired	(12)
Goodwill	**128**

6. 3.

Cash outflow on acquisitions

The net assets and liabilities arising from the acquisitions are as follows:

	2014 Fair value €m
Cash and cash equivalents	8
Property, plant and equipment	3
Deferred tax assets	5
Current programme rights	10
Other inventories	3
Accounts receivable and other financial assets	40
Accounts payable	(46)
Loans	(3)
Non-controlling interests	(8)
Net assets acquired	**12**
Goodwill	128
Total purchase consideration	**140**
Less:	
Deferred consideration	(5)
Payments on prior years' acquisitions	3
Cash and cash equivalents in operations acquired	(8)
Cash outflow on acquisitions	**130**

6. 4.

Disposals

See note 9.

7. IMPAIRMENT TEST

During the first six months of the year and as described below, RTL Group management had identified certain indicators that would trigger a possible decrease in the recoverable amount of the cash generating units ("CGU") FremantleMedia, Radical Media and Hungarian language cable channels and M-RTL.

FremantleMedia
Following continuing pressure on the production and distribution business, due to reduced volumes and pricing, management have updated the business plan to take into account the latest available information, primarily on the US.

Radical Media
The commercial division of the CGU has to face tightening advertiser budgets and intense competition. RTL Group's management have consequently reviewed the assumptions underlying the DCF model.

Hungarian language cable channels and M-RTL
On 2 June 2014, a new advertising tax was submitted to the Hungarian Parliament and was subsequently adopted via an accelerated procedure on 11 June 2014. On 4 July 2014, the Hungarian Parliament adopted several amendments to the tax. The new revised tax came into force on 15 August 2014 with the first payments, in two equal instalments, under this new regime to be made on 20 August and 20 November 2014 respectively.

The tax is steeply progressive with rates between nil to 40 per cent, and is calculated, in general, on the net revenues derived from advertising plus the margins which the sales houses affiliated to the taxpayers charge to their customers. The tax base will be calculated by aggregating the tax bases of affiliated undertakings. As a result, entities belonging to a group of companies are taxed at higher tax rates than independent legal entities.

RTL Group's management are determined to pursue all options to protect the Hungarian assets against the effects of this new regulation. Nevertheless, in accordance with IFRS guidance, the Group has assumed that the impact of this new advertising tax on RTL Group's Hungarian business continues throughout the planning period. RTL Group has also assumed that the Hungarian business is a going concern.

The key assumptions, the results of all of the impairment tests and the sensitivity analyses have been disclosed in the June 2014 interim report. Since June 2014, RTL Group management consider that no additional indicator would significantly reduce the headroom between the recoverable amounts and the carrying value of RTL CGUs.

8. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

In January 2014, the Spanish company Infraestructuras y Gestion 2002, SL ("Ingest") filed a legal action before the Supreme Court against the renewal of the concession agreements for Atresmedia, Mediaset Espana and Prisa signed on 3 April 2010. If successful, this action would lead to the closure of eight terrestrial digital television channels, two of them belonging to Atresmedia. All the requirements for operating these channels were met according to Atresmedia management.

On 6 February 2014, Vice Media, Inc. and RTL Group entered in a joint-venture agreement through the creation of Vice Food LLC, held at 70 and 30 per cent, respectively. The venture was set up to operate, commission, develop and produce digital content for, a new online digital vertical known as 'Munchies, Food by Vice', across multiple platforms. Vice Media and FremantleMedia are also individually providing content to the venture.

The ownership of RTL Group in Atresmedia decreased from 20.5 per cent at 31 December 2013 to 19.2 per cent at 30 September 2014 following the partial novation, on 19 February 2014, of the Integration Agreement executed on 14 December 2011 with the shareholders of La Sexta and the reduction of the number of treasury shares. In the view of the representatives of RTL Group to the Board of Directors and other governing bodies of Atresmedia, management consider that this does not change the significant influence of RTL Group in Atresmedia. This transaction resulted in a dilution of RTL Group's interest generating a capital loss of €5 million reported in "Gain/loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree".

On 21 February 2014, RTL Group disposed of its ownership in Asia Sports Ventures Pte. Ltd. and recognised a capital gain of €3 million presented in "Gain/loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree".

On 15 April 2014, Contact Vlaanderen NV was liquidated generating a capital gain of €1 million presented in "Gain/loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree".

The management of TF6 announced on 25 April 2014 that the channel will cease its operations at the end of 2014 following a significant drop in revenue.

On 12 June 2014, RTL Group disposed of all the shares held in BIG RTL Broadcast Private Limited ("BIG RTL") to the other shareholder, the Reliance Group. The capital loss related to the exit by RTL Group of the joint venture, concluded on 27 May 2011 and previously held at 50 per cent, amounts to €1 million. The capital loss is presented in "Gain/loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree". The disposal resulted in an outflow, net of transaction costs, of €1 million.

9. ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

At 31 March 2014, Groupe M6 disposed of 100 per cent of its interests held in Mistergooddeal SA. The sale proceeds and the capital gain amounted to €2 million and €1 million, respectively.

At 30 June 2014, AVE I Vermögensverwaltungsgesellschaft mbH & Co. KG and its parent company, AVE VI Vermögensverwaltungsgesellschaft mbH & Co. KG, previously accounted for using the equity method and classified as assets held for sale at 31 December 2013, merged into RTL Radio Deutschland GmbH. The capital gain amounted to €3 million.

The real-estate project for the construction of the new buildings next to the existing premises in Luxembourg is underway and continues to evolve in accordance with the initial plan. Following the receipt of the final administrative approval regarding additional properties contributed to Group companies, RTL Group will recognise in October 2014 an estimated capital gain of €34 million following the cease of control according to IFRS criteria and will report it in "Other operating income".

9. 1. Assets and liabilities disposed of

	2014 €m
Fair value of consideration received	2
Net assets disposed of	2
Net gain on disposal	**4**

9. 2. Cash inflow on disposals

	2014 €m
Assets classified as held for sale	(20)
Liabilities directly associated with non-current assets classified as held for sale	22
Net assets disposed of	**2**
Total disposal proceeds	**2**
Less:	
Deferred payments on disposal proceeds	(2)
Cash inflow on disposals	**–**

10. POST-EMPLOYMENT BENEFITS

FremantleMedia Group Limited entered, in March 2014, into an insurance arrangement related to its defined benefit plan. As a result, a re-measurement loss amounting to €15 million has been recognised in other comprehensive income at 30 September 2014.

11. SEASONALITY OF OPERATIONS

RTL Group's revenue is generally lower in the summer months due to a reduction in advertising spend although this is compensated by higher advertising revenue in the run up to the Christmas period.

The Group's content arm, FremantleMedia, usually generates a higher proportion of both revenue and EBITA in the second half of the year due, in part, to the seasonality of programme sales but also to the revenue generated by the distribution, licensing and merchandising business. This seasonality is not expected to be any different for 2014.

12. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to RTL Group shareholders of €306 million (2013: €535 million) and a weighted average number of ordinary shares outstanding during the period of 153,591,437 (September 2013: 153,618,853) calculated as follows:

	September 2014	September 2013
Profit for the period attributable to RTL Group shareholders (in € million)	**306**	535
Weighted average number of ordinary shares:		
Issued ordinary shares at 1 January	**154,787,554**	154,787,554
Effect of treasury shares held	**(1,168,701)**	(1,168,701)
Effect of liquidity program (note 13.)	**(27,416)**	–
Weighted average number of ordinary shares	**153,591,437**	153,618,853
Basic earnings per share (in €)	**2.00**	3.48
Diluted earnings per share (in €)	**2.00**	3.48

13. TREASURY SHARES

The Company's General Meeting held on 16 April 2014 has authorised the Board of Directors to acquire a total number of shares of the Company not exceeding 150,000 in addition to the own shares already held (i.e. 1,168,701 own shares) as of the date of the General Meeting. This authorisation is valid for five years and the purchase price per share is fixed at a minimum of 90 per cent and a maximum of 110 per cent of the average closing price of the RTL Group share over the last five trading days preceding the acquisition.

Following the shareholders' resolution and in order to foster the liquidity and regular trading of its shares that are listed on the stock market in Brussels and Luxembourg and the stability of the price of its shares, the Company has entered on 28 April 2014 into a liquidity agreement (the "Liquidity Agreement") with Kepler Capital Markets SA (the "Liquidity Provider"). During the period ended 30 September 2014, under the Liquidity Agreement, the Liquidity Provider has:

- purchased 458,323 shares at an average price of €78.52; and
- sold 372,617 shares at an average price of €78.67, in the name and on behalf of the Company.

At 30 September 2014, a total of 85,706 RTL Group shares are held by the Company and €3.8 million are in deposit with the Liquidity Provider under the terms of the Liquidity Agreement.

14. RELATED PARTY TRANSACTIONS

Financing

Deposits Bertelsmann SE & Co. KGaA

With the view to invest its cash surplus, RTL Group SA entered in 2006 with Bertelsmann SE & Co. KGaA (previously Bertelsmann AG) into a Deposit Agreement, the main terms of which are:

- Interest rates are based on an overnight basis on EONIA plus 10 basis points; or on a one to six month basis, EURIBOR plus 10 basis points;
- Bertelsmann SE & Co. KGaA grants to RTL Group as security for all payments due by Bertelsmann SE & Co. KGaA a pledge on:
  - All shares of its wholly owned French subsidiary Média Communication SAS;
  - All shares of its wholly owned Spanish subsidiary Media Finance Holding SL;
  - All its interests in the German limited liability partnership Gruner + Jahr AG Co. KG;
  - All shares of its wholly owned English subsidiary Bertelsmann UK Ltd.

The interests in Gruner + Jahr AG Co. KG and shares of Bertelsmann UK Ltd have also been granted as pledge by Bertelsmann SE & Co. KGaA to CLT-UFA SA, a subsidiary of RTL Group, in connection with the accounts receivable related to PLP and Compensation Agreements as defined below.

At 30 September 2014, the amount deposited amounts to € nil million (December 2013: € nil million). The interest income for the period amounts to €0.1 million (September 2013: €0.2 million).

On 22 December 2011, RTL Group Deutschland GmbH, a Group company, and Bertelsmann SE & Co. KGaA entered into an agreement related to the deposit of surplus cash by RTL Group Deutschland GmbH with the shareholder. To secure the deposit, Bertelsmann pledged to RTL Group Deutschland GmbH its aggregate current partnership interest in Gruner + Jahr AG & Co. KG as well as all additional partnership interests in Gruner + Jahr it may create or acquire.

At 30 September 2014, the three-month deposit of RTL Group Deutschland GmbH with Bertelsmann is € nil million (December 2013: € nil million). The interest income for the period amounts to € nil million (September 2013: € nil million).

RTL Group SA additionally entered into a Treasury Agreement in North America with Bertelsmann Inc. Interest rates are based on US Libor plus 10 basis points. At 30 September 2014, the balance of the cash pooling payable amounts to € nil million (December 2013: € nil million). The interest income/expense for the period is not significant (September 2013: below €1 million).

Loans from Bertelsmann SE & Co. KGaA

On 7 March 2013, RTL Group Deutschland GmbH, a Group company, and Bertelsmann SE & Co. KGaA entered into a shareholder loan agreement pursuant to which Bertelsmann makes available a term loan facility in the amount of €500 million and a revolving and swingline facility in the amount of up to €1 billion. The main terms of these facilities are:

- Term loan facility of €500 million until 7 March 2023 bearing interest at 2.713 per cent per annum; RTL Group S.A. has the right to early repay the loan subject to break costs. At 30 September 2014, the term loan balance amounts to €500 million (December 2013: €500 million);
- Revolving loans bear interest at the applicable EURIBOR plus a margin of 0.60 per cent per annum, and swingline loans bear interest at EONIA plus a margin of 0.60 per cent per annum. A commitment fee of 35 per cent of the applicable margin is payable where for purposes of calculation of the payable commitment fee the available commitment under the revolving and swingline facilities will be reduced by €200 million. At 30 September 2014, the total of revolving and swingline loans amount to €713 million (December 2013: € nil million).

The interest expense for the period amounts to €11.5 million (September 2013: €8.4 million). The commitment fee charge for the period amounts to €0.9 million (September 2013: €0.9 million).

Tax

On 26 June 2008, the Board of Directors of RTL Group agreed to proceed with the tax pooling of its indirect subsidiary RTL Group Deutschland GmbH ("RGD") into Bertelsmann Capital Holding GmbH ("BCH"), a direct subsidiary of Bertelsmann AG.

To that effect, RGD entered into a Profit and Loss Pooling Agreement ("PLP Agreement") with BCH for a six-year period starting 1 January 2008. Simultaneously, Bertelsmann AG entered into a Compensation Agreement with CLT-UFA, a direct subsidiary of RTL Group, providing for the payment to CLT-UFA of an amount compensating the above transfer and an additional commission ("Commission") amounting to 50 per cent of the tax saving based upon the taxable profit of RGD.

As at 30 September 2014, the balance payable to BCH amounts to €248 million (December 2013: €481 million) and the balance receivable from Bertelsmann SE & Co. KGaA amounts to €206 million (December 2013: €390 million).

For the period ended 30 September 2014, the German income tax in relation to the tax pooling with Bertelsmann SE & Co. KGaA amounts to €71 million (September 2013: €84 million). The Commission amounts to €29 million (September 2013: €37 million).

The trade tax loss carry forward at the level of Bertelsmann SE & Co. KGaA was completely consumed in 2013 resulting in a lower commission. At 30 September 2014, the commission related to the trade tax has been calculated on the basis of the trade tax carry loss expected for 2014 at the level of Bertelsmann SE & Co. KGaA.

All Danish entities under common control by an ultimate parent are subject to Danish tax consolidation, which is mandatory under Danish tax law. Blu A/S, a 100 per cent held subsidiary of RTL Group, was elected as the management company of the Bertelsmann Denmark Group.

The UK Group relief of FremantleMedia Group to Bertelsmann Group resulted in a tax income of €5 million (September 2013: €3 million).

15. IMPACT OF CHANGES IN ACCOUNTING POLICIES

As a result of the adoption of IFRS 11, the effects of the change in accounting policies on the condensed consolidated interim income statement, the condensed consolidated statement of financial position and condensed consolidated interim cash flow statement are presented below. There was no impact in the condensed consolidated interim statement of comprehensive income and in the condensed consolidated interim statement of changes in equity. The changes mainly relate to RTL Disney Fernsehen GmbH & Co.KG.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

For the nine months ended 30 September 2013

	As originally published €m	Restatement IFRS11 €m	Restated €m
Revenue	4,048	(36)	4,012
Other operating income	25	–	25
Consumption of current programme rights	(1,313)	10	(1,303)
Depreciation, amortisation and impairment	(128)	3	(125)
Other operating expenses	(1,940)	17	(1,923)
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	(7)	–	(7)
Gain from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	5	–	5
Profit from operating activities	690	(6)	684
Share of results of investments accounted for using the equity method	94	5	99
Earnings before interest and taxes ("EBIT")	784	(1)	783
Interest income	7	–	7
Interest expense	(20)	–	(20)
Financial results other than interest	29	–	29
Profit before taxes	800	(1)	799
Income tax expense	(207)	1	(206)
Profit for the period	593	–	593
Attributable to:			
RTL Group shareholders	535	–	535
Non-controlling interests	58	–	58
Profit for the period	593	–	593
EBITA[25]	714	(1)	713
Reversal of impairment of investments accounted for using the equity method	72	–	72
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	(7)	–	(7)
Gain from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	5	–	5
Earnings before interest and taxes ("EBIT")	784	(1)	783
Earnings per share (in €)			
– Basic	3.48	–	3.48
– Diluted	3.48	–	3.48

25 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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

	As originally published €m	Restatement IFRS11 €m	Restated €m
Non-current assets			
Programme and other rights	**114**	(5)	109
Goodwill	**2,709**	(2)	2,707
Other intangible assets	**198**	–	198
Property, plant and equipment	**332**	(1)	331
Investments accounted for using the equity method	**336**	23	359
Loans and other financial assets	**141**	1	142
Deferred tax assets	**392**	(3)	389
	4,222	13	4,235
Current assets			
Programme rights	**961**	(6)	955
Other inventories	**15**	–	15
Income tax receivable	**42**	–	42
Accounts receivable and other financial assets	**1,726**	(5)	1,721
Cash and cash equivalents	**574**	(32)	542
	3,318	(43)	3,275
Assets classified as held for sale	**27**	–	27
Current liabilities			
Loans and bank overdrafts	**37**	(1)	36
Income tax payable	**92**	(2)	90
Accounts payable	**2,538**	(25)	2,513
Provisions	**195**	(1)	194
	2,862	(29)	2,833
Liabilities directly associated with non-current assets classified as held for sale	**24**	–	24
Net current assets	**459**	(14)	445
Non-current liabilities			
Loans	**530**	(1)	529
Accounts payable	**331**	–	331
Provisions	**169**	–	169
Deferred tax liabilities	**58**	–	58
	1,088	(1)	1,087
Net assets	**3,593**	–	3,593
Equity attributable to RTL Group shareholders	**3,159**	–	3,159
Equity attributable to non-controlling interests	**434**	–	434
Equity	**3,593**	–	3,593

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

For the nine months ended 30 September 2013

	As originally published €m	Restatement IFRS11 €m	Restated €m
Cash flows from operating activities			
Profit before taxes	800	(1)	799
Adjustments for:			
– Depreciation and amortisation	128	(3)	125
– Value adjustments, impairment and provisions	44	–	44
– Equity-settled share-based payments expenses	3	–	3
– Gain on disposal of assets	(18)	–	(18)
– Financial results including net interest expense and share of results of investments accounted for using the equity method	(86)	13	(73)
Use of provisions	(68)	–	(68)
Working capital changes	71	1	72
Income taxes paid	(180)	2	(178)
Net cash from operating activities	694	12	706
Cash flows from investing activities			
Acquisitions of:			
– Programme and other rights	(58)	4	(54)
– Subsidiaries, net of cash acquired	(73)	2	(71)
– Other intangible and tangible assets	(54)	–	(54)
– Other investments and financial assets	(15)	(4)	(19)
	(200)	2	(198)
Proceeds from the sale of intangible and tangible assets	21	1	22
Proceeds from the sale of investments accounted for using the equity method, other investments and financial assets	113	(1)	112
Current deposit with shareholder	426	–	426
Interest received	24	–	24
	584	–	584
Net cash from investing activities	384	2	386
Cash flows from financing activities			
Interest paid	(2)	–	(2)
Transactions on non-controlling interests	(3)	–	(3)
Term loan facility due to shareholder	800	–	800
Repayment of loans	(4)	–	(4)
Dividends paid	(2,137)	–	(2,137)
Net cash used in financing activities	(1,346)	–	(1,346)
Net increase/(decrease) in cash and cash equivalents	(268)	14	(254)
Cash and cash equivalents and bank overdrafts at beginning of period	645	(29)	616
Effect of exchange rate fluctuation on cash held	(3)	–	(3)
Cash and cash equivalents and bank overdrafts at end of period	374	(15)	359

16. SUBSEQUENT EVENTS

On 19 September 2014, Mediengruppe RTL Deutschland acquired 100 per cent interest in Econa Shopping GmbH ("Econa"), the leading operator of online couponing portals in Germany for €27.5 million on a cash-and-debt free basis. In addition, the parties have agreed on an earn-out mechanism of a maximum of €27.5 million. Its biggest couponing portal is *sparwelt.de*. The online couponing business is a growing and large B2C market with country-wide and potentially international reach and synergies to Mediengruppe RTL Deutschland core business. The transaction and the gain of control were subject to the approval of the German federal cartel authority, which has been obtained on 29 October 2014. Econa will be fully consolidated at the effective date of control.

On 29 October 2014, the Board of RTL Group SA has approved the disposal of 90 per cent, out of its 100 per cent holding, in BeProcurement SA ("BeProcurement"), previously named FremantleMedia SA, to Bertelsmann Luxembourg Sàrl. This transaction is part of a project initiated by the Bertelsmann Group to bundle its IT procurement activities in a single company based in Luxembourg. The sale proceeds amounted to €12 million corresponding to the share of the net assets transferred. BeProcurement has tax losses carried forward amounting to €1.1 billion at 30 September 2014, for which no deferred tax assets had been recognised in the past by RTL Group following a consistent application of IAS 12. A twenty five year shareholders agreement has been concluded between Bertelsmann and RTL Group. The shareholders agreement stipulates that 50 per cent of the aggregate amount of corporate and trade tax that, in the absence of existing tax losses carried forward of BeProcurement, if any, would have otherwise been owed by the company, will be paid to RTL Group SA as a preferred dividend with a minimum amount of €1 million per year. The minimum dividend of €1 million will be payable from 2016 onwards. The 10 per cent shares held by RTL Group SA are not transferable to a third party. RTL Group SA may terminate this agreement at certain conditions and this would result in the unused tax losses carried forward being transferred back to RTL Group. The 10 per cent interest retained by RTL Group in BeProcurement will be accounted for as available-for-sale asset. The minimum dividend will be accounted for as a financial asset and represents the guaranteed part of future dividends.

RTL Group management is contemplating different strategic options regarding its sport rights business UFA Sports. One possibility might be the disposal.

On 3 November 2014, RTL Group announced that it will acquire a controlling stake in StyleHaul, Inc. and its 100 per cent affiliates ("StyleHaul") for USD 107 million, valuing the company at USD 151.4 million. In addition, the parties have agreed to earn-out mechanisms that might increase the initial consideration to a maximum of USD 45 million, subject to the future performance of the business. RTL Group will also invest USD 20 million into StyleHaul in order to fund the company's growth plan. This transaction, which is expected to close by the end of November 2014, will increase RTL Group's shareholding from the current 22.3 per cent (on a fully diluted basis; i.e. 26.8 per cent on a non-diluted basis) to 93.6 per cent (on a fully diluted basis; i.e. 97.0 per cent on a non-diluted basis). Under the terms of the deal, RTL Group has the opportunity through put and call options to acquire the remaining equity, owned by StyleHaul's management and employees. With this agreement, RTL Group further accelerates its rapidly growing presence in the online video space and its position in North America – the largest and most innovative media market worldwide. StyleHaul was accounted for using the equity method at 30 September 2014 and will be fully consolidated at the effective date of control.

Financial calendar

5 March 2015	Full-year results 2014
15 April 2015	Annual General Meeting (AGM) 2015
7 May 2015	Results Q1/2015
27 August 2015	Interim results 2015
12 November 2015	Results Q3/2015

Credits

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